SUCCESSFUL EXECUTION OF CARGOTEC'S TRANSFORMATION ACCORDING TO PLAN

CARGOTEC'S FINANCIAL STATEMENTS REVIEW 2024

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Cargotec's financial statements review 2024: Successful execution of Cargotec's transformation according to plan

- Orders received increased in the fourth quarter and in 2024
- Book-to-bill was positive in the fourth quarter
- Strong full year profitability and cash flow
- MacGregor sales agreement signed

The figures in this financial statements review are based on Cargotec Corporation's audited 2024 financial statements.

Unless otherwise stated, the financial information in this report concerns Cargotec's continuing operations.

October–December 2024 in brief: Orders received increased

- Orders received increased by 3 percent and totalled EUR 414 (401) million.
- Order book amounted to EUR 648 (31 Dec 2023: 799) million at the end of the period.
- Sales decreased by 8 percent and totalled EUR 412 (450) million.
- Service sales increased by 4 percent and totalled EUR 118 (114) million.
- Service sales represented 29 (25) percent of consolidated sales.
- Eco portfolio sales decreased by 4 percent and totalled EUR 122 (127) million.
- Eco portfolio sales represented 30 (28) percent of consolidated sales.
- Operating profit was EUR 41 (38) million, representing 9.9 (8.4) percent of sales.
- Comparable operating profit increased by 8 percent and amounted to EUR 41 (38) million, representing 9.9 (8.4) percent of sales.
- Profit for the period amounted to EUR 27 (24) million.
- Basic earnings per share was EUR 0.42 (0.33).
- Cash flow from operations before finance items and taxes totalled EUR 172 (292) million.[1]

January–December 2024 in brief: Comparable operating profit margin increased

- Orders received increased by 3 percent and totalled EUR 1,509 (1,466) million.
- Order book amounted to EUR 648 (31 Dec 2023: 799) million at the end of the period.
- Sales decreased by 8 percent and totalled EUR 1,647 (1,787) million.
- Service sales increased by 2 percent and totalled EUR 462 (452) million.
- Service sales represented 28 (25) percent of consolidated sales.
- Eco portfolio sales decreased by 11 percent and totalled EUR 476 (533) million.
- Eco portfolio sales represented 29 (30) percent of consolidated sales.
- Operating profit was EUR 217 (219) million, representing 13.2 (12.3) percent of sales.
- Comparable operating profit decreased by 1 percent and amounted to EUR 217 (219) million, representing 13.2 (12.3) percent of sales.
- Profit for the period amounted to EUR 155 (153) million.
- Basic earnings per share was EUR 2.40 (2.35).
- Cash flow from operations before finance items and taxes totalled EUR 582 (544) million.[1]

[1] Includes discontinued operations

Outlook for 2025

Cargotec estimates its continuing operations' comparable operating profit margin in 2025 to be above 12.0 percent (2024: 13.2 percent).

Cargotec updated its reporting structure due to the signed sales agreement of MacGregor

As announced in a stock exchange release on 14 November 2024, Cargotec has signed an agreement to sell its MacGregor business area. Due to the transaction, Cargotec reports MacGregor as a part of discontinued operations from the fourth quarter 2024 onwards. Additionally, due to the partial demerger of Cargotec registered on 30 June 2024, Cargotec continues to report its former Kalmar business area as discontinued operations as announced in a stock exchange release on 8 April 2024.

Cargotec also updated its segment reporting from the fourth quarter 2024 onwards. The MacGregor segment was removed. Hence, in Cargotec's financial statements review 2024, there is only one reporting segment, Hiab. From the first quarter of 2025 onwards, the company is planning to have two reporting segments, Equipment and Services.

To provide a basis for comparison, Cargotec published on 7 January 2025 its reclassified financial information of continuing operations, discontinued operations, reportable segment and Corporate administration and support functions for all quarters of 2023 and the first three quarters of 2024 separately, as well as for the full year 2023. Corporate administration and support functions now reflect continuing operations. Financial information for the Hiab segment remained unchanged. Reclassified information for Equipment and Services segments is planned to be published later.

The reclassified financial information is unaudited.

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Cargotec's key figures

MEUR	Q4/24	Q4/23	Change	2024	2023	Change
Orders received	414	401	3%	1,509	1,466	3%
Service orders received	118	112	5%	450	447	1%
Order book, end of period	648	799	-19%	648	799	-19%
Sales	412	450	-8%	1,647	1,787	-8%
Service sales	118	114	4%	462	452	2%
Service sales, % of sales	29%	25%		28%	25%	
Eco portfolio sales	122	127	-4%	476	533	-11%
Eco portfolio sales, % of sales	30%	28%		29%	30%	
Operating profit	41.0	38.0	8%	217.1	219.2	-1%
Operating profit, %	9.9%	8.4%		13.2%	12.3%	
Comparable operating profit	41.0	38.0	8%	217.1	219.1	-1%
Comparable operating profit, %	9.9%	8.4%		13.2%	12.3%	
Profit before taxes	39.3	35.7	10%	213.4	205.4	4%
Profit for the period	27.1	23.5	15%	155.0	153.5	1%
Basic earnings per share, EUR	0.42	0.33	26%	2.40	2.35	2%
Personnel, end of period	4,234	4,477	-5%	4,234	4,477	-5%

Cargotec’s key figures*

Among the below presented key figures, all include both continuing and discontinued operations.

MEUR	Q4/24	Q4/23	Change	2024	2023	Change
Cash flow from operations before finance items and taxes	171.7	292.1	-41%	582.3	544.2	7%
Interest-bearing net debt, end of period	-186	179	< -100%	-186	179	< -100%
Gearing, %	-18.1%	10.2%		-18.1%	10.2%	
Interest-bearing net debt / EBITDA**	-0.5	0.3		-0.5	0.3	
Return on capital employed (ROCE), last 12 months, %	7.1%	19.9%		7.1%	19.9%	

*Due to Kalmar business area's classification as discontinued operations, suspended depreciation and amortisation starting from 1 February 2024 had a positive EUR 17.9 million impact on the presented result figures before taxes and EUR 13.4 million positive impact on the result after taxes. Comparative information is not restated accordingly.

**Last 12 months’ EBITDA

Cargotec's President and CEO Casimir Lindholm: Successful execution of Cargotec's transformation according to plan

The year 2024 was a successful one for Cargotec. We executed the transformation of the company according to the targets set by the Board in 2023. We reached all our major goals for the year, continued the good business performance, completed the separation of Hiab and Kalmar, and found a solution for MacGregor.

Due to this progress in the transformation, Cargotec's continuing operations' reported financials consist only of the Hiab business area, as well as continuing operations' Corporate administration and support functions.

The market environment remained complex throughout the year. Expectations on lower interest rates and uncertainty in some of Hiab's key geographies and industries delayed customer decision making. Orders received increased by 3 percent from the previous year to EUR 1,509 million. The order growth was driven by the Americas. Due to the normalised supply chain, our order book decreased to EUR 648 million. However, our book-to-bill was positive in the fourth quarter.

Our sales decreased by 8 percent from the previous year's level following the order book development and amounted to EUR 1,647 million. In our strategic focus areas, North America and services, our sales continued to grow.

Despite lower sales, we were able to improve our relative profitability with successful management of inflationary pressures as well as sourcing and supply chain actions. Our comparable operating profit decreased by 1 percent and amounted to EUR 217 million corresponding to 13.2 percent of sales compared to EUR 219 million and 12.3 percent in 2023. Comparable operating profit for the Hiab business area amounted to EUR 245 million or 14.9 percent of sales, which is a record high comparable operating profit margin for the business area.

In addition to the good business performance, we have executed the two-year transformation project according to our plans. Among the transformation milestones is the separate listing of Kalmar in the beginning of July 2024. The listing was completed only 14 months after the demerger announcement and Kalmar is now fully separated from Cargotec.

Another major milestone was achieved in November as we signed an agreement to sell MacGregor to funds managed by Triton after a successful turnaround of the business. The enterprise value of the transaction is EUR 480 million. Closing of the transaction is expected to take place by 1 July 2025 at the latest. Conditional to closing of the transaction, Cargotec's Board is proposing an additional dividend of EUR 1.57 per class B share to be paid in 2025 in addition to the proposed ordinary dividend of EUR 1.20 per class B share.

Cargotec's transformation will be finalised this year, when we close the sale of MacGregor and Hiab will continue its growth and development as the remaining standalone part of the group. Hence, the Board is proposing to Cargotec's Annual General Meeting of shareholders that the company's name would be changed from Cargotec to Hiab with an effective date of 1 April 2025.

I'm convinced that Hiab will have a bright future as a standalone company. Hiab has a clear strategy that was revealed in the Capital Markets Day in May and a motivated and experienced leadership team in place. Furthermore, Hiab's strategy execution is already well underway. For example in 2024, we signed several new dealer agreements to facilitate growth in the US, reached all-time high service sales, and continued to shape the industries we serve with 45 new product launches. This year, Hiab continues investing to increase productivity and profitability for example by streamlining the production setup in Italy and renewing product and service operations in Ireland and in the UK.

This progress coupled with the recent achievement to improve comparable operating profit margin even with lower sales further increases Hiab's confidence to reach 16 percent comparable operating profit margin by 2028 as a standalone company.

As the name change takes place, Scott Phillips would become the new CEO of the renamed company and I would step down from the CEO position, as announced already in May 2024. I would like to take this opportunity to thank the shareholders for the trust and Board of Directors for great cooperation as well as all the current and former colleagues, partners, and customers for making 2024 another successful year for the company.

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Reporting segments' key figures

Orders received

MEUR	Q4/24	Q4/23	Change	2024	2023	Change
Hiab	414	401	3 %	1,509	1,466	3 %

Order book

MEUR	31 Dec 2024	31 Dec 2023	Change
Hiab	648	799	-19%

Sales

MEUR	Q4/24	Q4/23	Change	2024	2023	Change
Hiab	412	450	-8%	1,647	1,787	-8%

Operating profit

MEUR	Q4/24	Q4/23	Change	2024	2023	Change
Hiab	48.0	47.8	0%	244.7	252.2	-3%
Corporate administration and support functions	-7.0	-9.8	29%	-27.6	-33.0	16%
Total	**41.0**	**38.0**	**8%**	**217.1**	**219.2**	**-1%**

Comparable operating profit

MEUR	Q4/24	Q4/23	Change	2024	2023	Change
Hiab	48.0	47.8	0%	244.7	252.1	-3%
Corporate administration and support functions	-7.0	-9.8	29%	-27.6	-33.0	16%
Total	**41.0**	**38.0**	**8%**	**217.1**	**219.1**	**-1%**

Telephone conference for analysts, investors and media

A live international telephone conference for analysts, investors and media will be arranged on the publishing day at 10:00 a.m. EET. The event will be held in English. The report will be presented by President and CEO of Cargotec Casimir Lindholm, CFO Mikko Puolakka and President of Hiab Scott Phillips. The presentation material will be available at www.cargotec.com by the latest 9:30 a.m. EET.

To ask questions, please join the teleconference by registering via the following link: https://palvelu.flik.fi/teleconference/?id=50052226. After the registration, the conference phone numbers and a conference ID to access the conference will be provided. Questions can be presented during the conference.

The event can also be viewed as a live webcast at https://cargotec.events.inderes.com/q4-2024. The conference call will be recorded and an on-demand version of the conference will be published on Cargotec's website later during the day.

Please note that by dialling into the conference call, the participant agrees that personal information such as name and company name will be collected.

For further information, please contact:

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Aki Vesikallio, Vice President, Investor Relations, tel. +358 40 729 1670

Cargotec's (Nasdaq Helsinki: CGCBV) Hiab business is a leading provider of smart and sustainable on road load-handling solutions, committed to delivering the best customer experience every day with the most engaged people and partners. The company's continuing operations sales in 2024 totalled approximately EUR 1.6 billion and it employs over 4,000 people. www.cargotec.com

Cargotec's financial statements review 2024

The financial statements review provides estimates on future prospects involving risk and uncertainty factors, and other factors as a result of which the performance, operation or achievements of Cargotec may substantially deviate from the estimates. Forward-looking statements relating to future prospects are subject to risks, uncertainties and assumptions, the implementation of which depends on the future business environment and other circumstances.

Operating environment

Demand for Hiab's solutions is influenced by general economic growth, construction market development and truck sales, among others. Higher than past decade inflation and interest rates as well as geopolitical instabilities continue to negatively impact the operating environment. Also the tariffs and tariff threats by the new US administration create uncertainty in the growth outlook and increase unpredictability of the operating environment, especially in North America. However, decrease in interest rates, easing inflation and overall enhancing economic outlook may boost the customer investment activity, but timing remains uncertain as customers likely still delay investment decisions, expecting more rate cuts in the future. The 2025 outlooks for the construction market and truck sales in Hiab's main markets have also been turning slightly more positive.

According to the International Monetary Fund's (IMF) world economic outlook update published in January 2025, the global economy is estimated to have grown by 3.2 percent in 2024 and projected to grow by 3.3 percent in 2025. In the IMF’s advanced economies group (a group of countries which includes several key markets for Hiab, such as the United States, the United Kingdom and Germany), the IMF estimates a 1.7 percent growth in 2024 and a 1.9 percent growth in 2025. The forecast for 2025 is broadly unchanged from IMF's previous outlook. The report notes that medium-term risks to the baseline are tilted to the downside, while the near-term outlook is characterized by divergent risks. Upside risks could lift already-robust growth in the United States in the short run, whereas risks in other countries are on the downside amid elevated policy uncertainty.[2]

[2] International Monetary Fund: World Economic Outlook Update, January 2025

Financial performance

Orders received and order book

MEUR	Q4/24	Q4/23	Change	2024	2023	Change
Orders received	414	401	3%	1,509	1,466	3%
Service orders received	118	112	5%	450	447	1%
Order book, end of period	648	799	-19%	648	799	-19%

In the fourth quarter of 2024, orders received increased by 3 percent from the comparison period and totalled EUR 414 (401) million. Service orders received increased by 5 percent and totalled EUR 118 (112) million.

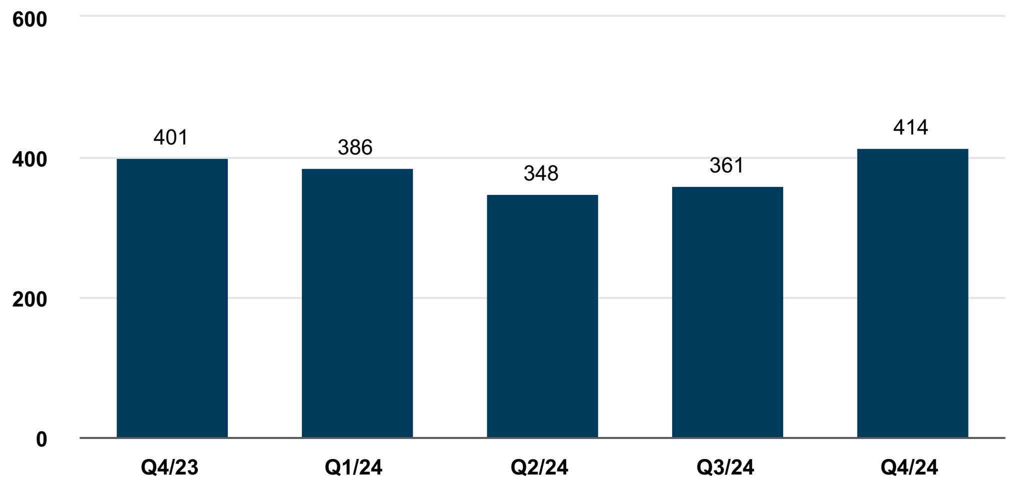
Orders received in 2024 increased by 3 percent from the comparison period and totalled EUR 1,509 (1,466) million. Service orders received increased by 1 percent and totalled EUR 450 (447) million.

The order book decreased by 19 percent from the end of 2023, and at the end of the year 2024 it totalled EUR 648 (31 Dec 2023: 799) million.

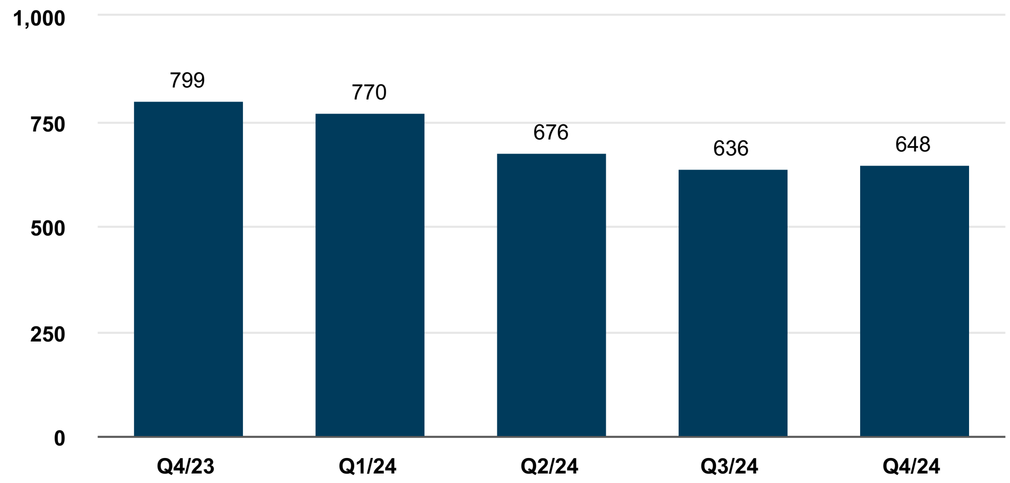
In geographical terms, the share of orders received in the fourth quarter was 53 (51) percent in EMEA and 40 (42) percent in the Americas. Asia-Pacific's share of orders received was 8 (7) percent.

In 2024, the share of orders received was 49 (50) percent in EMEA and 44 (43) in the Americas. Asia-Pacific's share of orders received was 7 (7) percent.

Orders received, MEUR



Order book, MEUR



Sales

MEUR	Q4/24	Q4/23	Change	2024	2023	Change
Sales	412	450	-8%	1,647	1,787	-8%
Service sales	118	114	4%	462	452	2%
Eco portfolio sales	122	127	-4%	476	533	-11%

In the fourth quarter of 2024, sales decreased from the comparison period by 8 percent and amounted to EUR 412 (450) million. Service sales increased by 4 percent and totalled EUR 118 (114) million, representing 29 (25) percent of consolidated sales.

Sales in 2024 decreased by 8 percent and amounted to EUR 1,647 (1,787) million. Service sales increased by 2 percent from the comparison period and totalled EUR 462 (452) million, representing 28 (25) percent of consolidated sales.

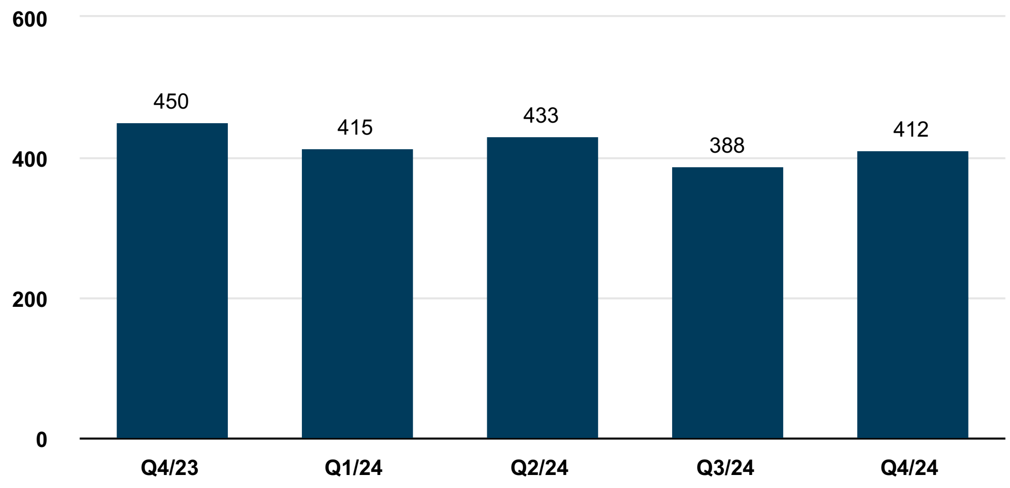
In the fourth quarter, eco portfolio sales decreased by 4 percent and amounted to EUR 122 (127) million, representing 30 (28) percent of consolidated sales. Eco portfolio sales decreased in the climate solutions category and increased in the circular solutions category.

In 2024, eco portfolio sales decreased by 11 percent and totalled EUR 476 (533) million, representing 29 (30) percent of consolidated sales. Eco portfolio sales decreased in the climate solutions category and remained at the comparison periods' level in the circular solutions category. Economic headwinds and high interest rates have been slowing down the green transition and negatively impacted eco portfolio sales.

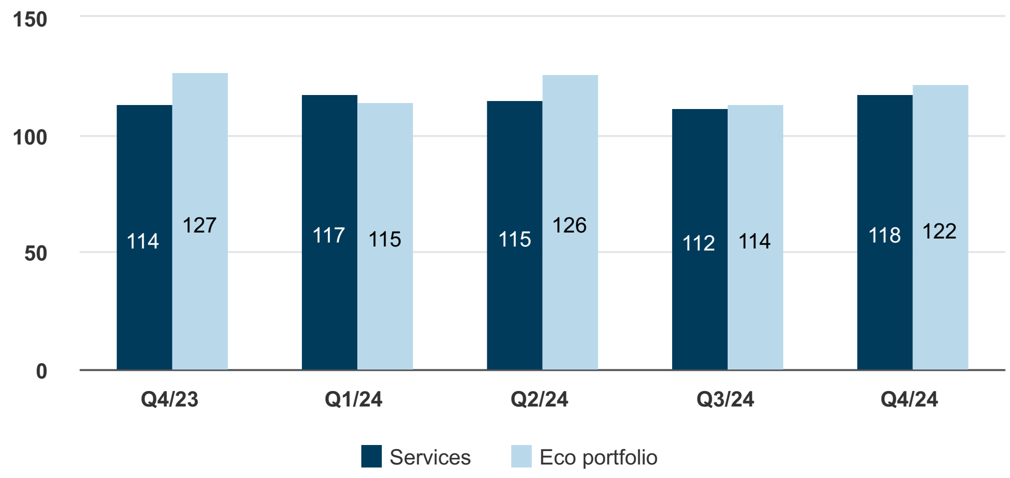
Sales increased in Asia-Pacific and Americas and decreased in EMEA in the fourth quarter. EMEA's share of consolidated sales was 50 (53) percent, Americas' 43 (39) percent and Asia-Pacific's 7 (7) percent.

In 2024, EMEA's share of consolidated sales was 49 (53) percent, Americas' 45 (39) percent and Asia-Pacific's 7 (8) percent.

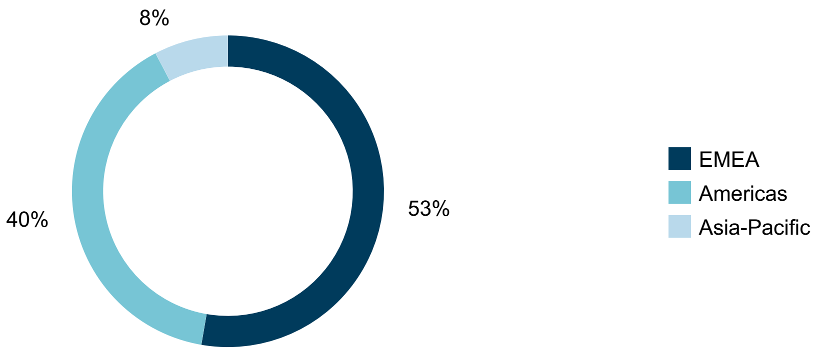
Sales, MEUR



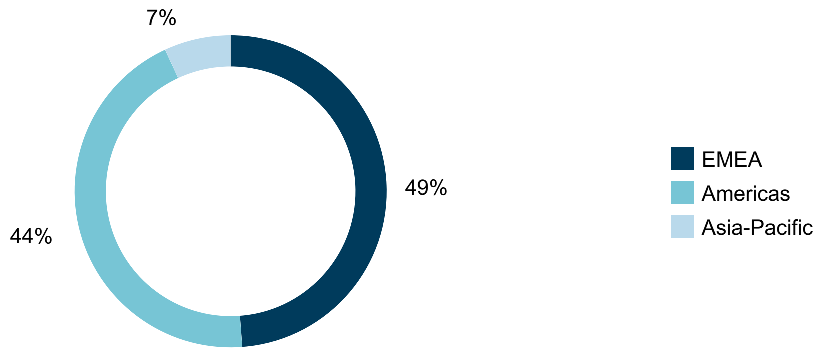
Service and eco portfolio sales, MEUR



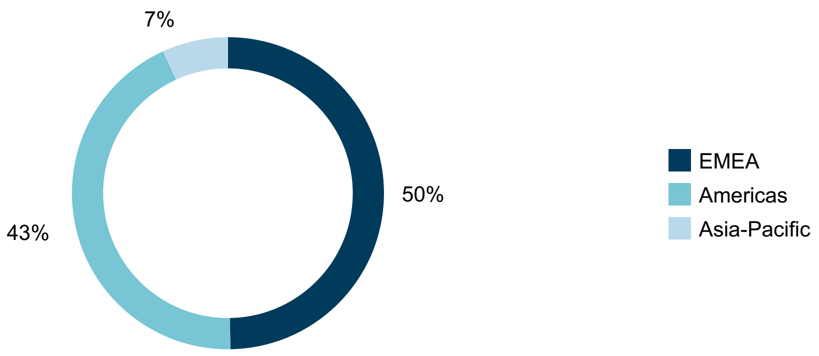
Orders received by geographical area Q4/2024, %



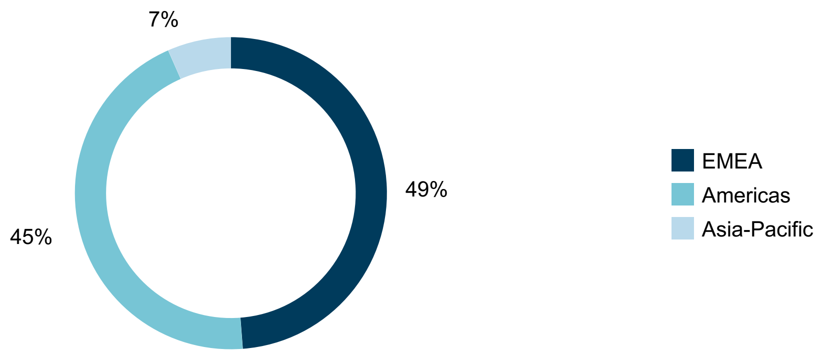
Orders received by geographical area 2024, %



Sales by geographical area Q4/2024, %



Sales by geographical area 2024, %



Financial result

Operating profit and comparable operating profit

MEUR	Q4/24	Q4/23	Change	2024	2023	Change
Operating profit	41.0	38.0	8%	217.1	219.2	-1%
Operating profit, %	9.9%	8.4%		13.2%	12.3%	
Comparable operating profit	41.0	38.0	8%	217.1	219.1	-1%
Comparable operating profit, %	9.9%	8.4%		13.2%	12.3%	

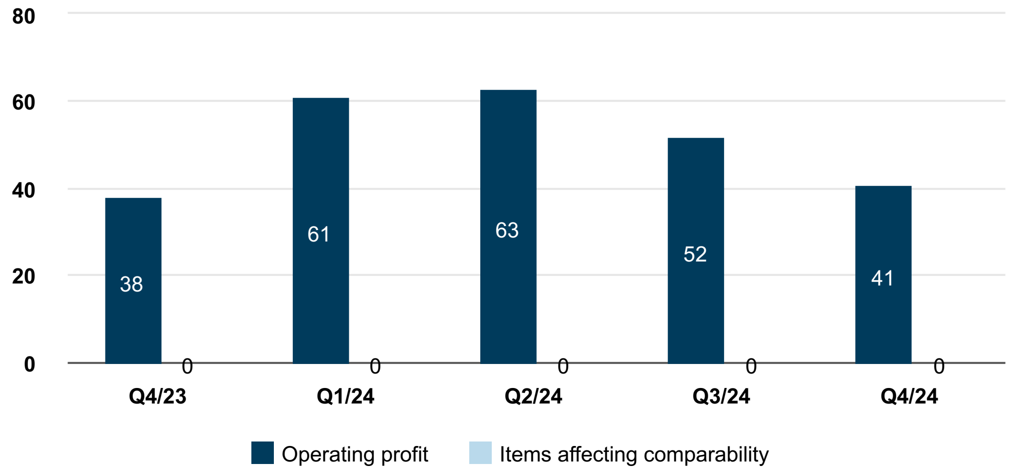
Operating profit for the fourth quarter totalled EUR 41 (38) million. Items affecting comparability amounted to EUR 0 (0) million.

Operating profit in 2024 totalled EUR 217 (219) million. Items affecting comparability amounted to EUR 0 (0) million.

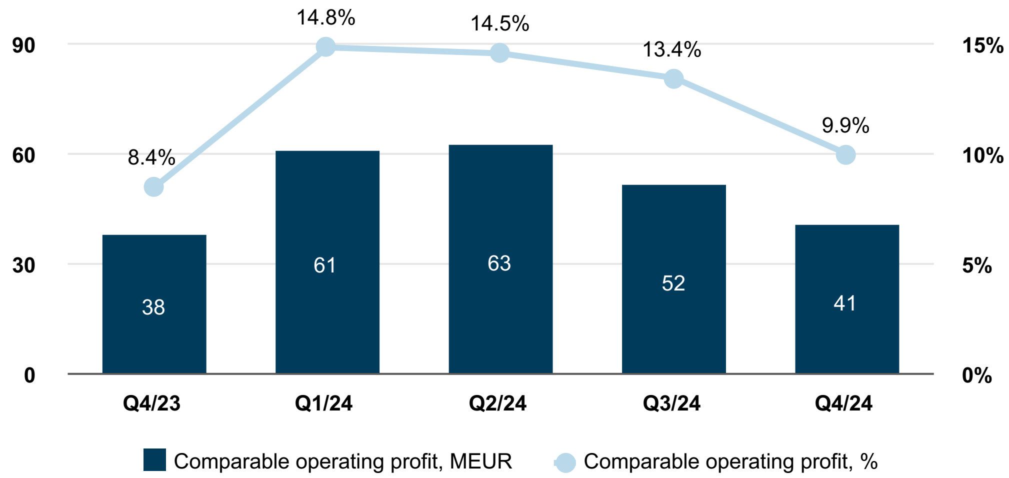
Comparable operating profit for the fourth quarter increased by 8 percent and totalled EUR 41 (38) million, representing 9.9 (8.4) percent of sales. Comparable operating profit increased due to lower corporate administration and support function costs. In the fourth quarter, Cargotec booked EUR 15 million one-off items related to the cost savings in Hiab. Out of the one-off items, EUR 11 million was related to streamlining the production setup in Italy. One-off items were booked above comparable operating profit. In the comparison period, one-off items relating to cost savings amounted to EUR 16 million.

Comparable operating profit in 2024 decreased by 1 percent and totalled EUR 217 (219) million, representing 13.2 (12.3) percent of sales. The comparable operating profit decreased due to lower sales. Decline in sales was offset by successful management of inflationary pressures as well as sourcing and supply chain actions.

Operating profit and items affecting comparability, MEUR



Comparable operating profit, MEUR
Comparable operating profit, %



Net finance expenses and net income

Net interest income for interest-bearing debt and assets for the fourth quarter totalled EUR 1 (interest expense 0) million. Net finance expenses totalled EUR 2 (2) million.

In 2024, net interest income for interest-bearing debt and assets totalled EUR 4 (interest expense 6) million. Net finance expenses totalled EUR 4 (14) million.

Profit for the fourth quarter totalled EUR 27 (24) million, and basic earnings per share was EUR 0.42 (0.33).

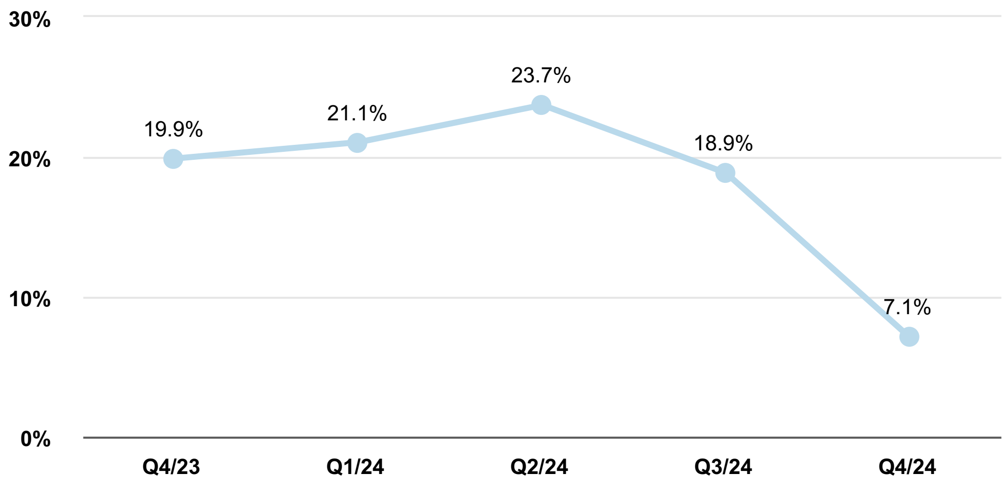
Profit for 2024 totalled EUR 155 (153) million, and basic earnings per share was EUR 2.40 (2.35).

Balance sheet, cash flow and financing

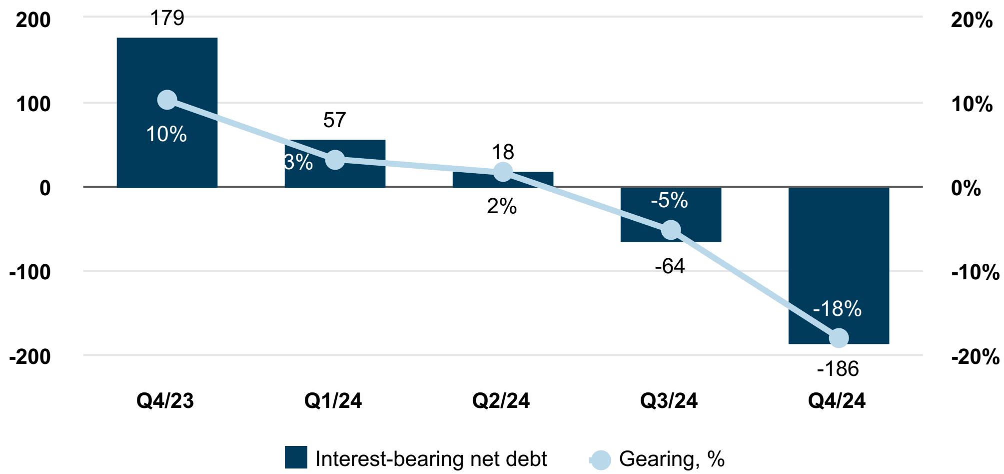
In this chapter, the balance sheet comparative periods include continuing and discontinued operations. The consolidated balance sheet total was EUR 2,450 (31 Dec 2023: 4,376) million at the end of the year 2024. Equity attributable to the equity holders of the parent was EUR 1,025 (1,752) million, representing EUR 16.04 (27.25) per share. Property, plant and equipment on the balance sheet amounted to EUR 159 (445) million and intangible assets to EUR 263 (996) million. The decrease was related to the partial demerger of Cargotec Corporation and the incorporation of a new Kalmar Corporation as well as the presentation of MacGregor's balance sheet items in the lines of assets held for sale and related liabilities. More information is available in note 17. Discontinued operations and note 18. Demerger.

Return on equity (ROE, last 12 months) was 2.0 (31 Dec 2023: 21.2) percent at the end of the year 2024 and return on capital employed (ROCE, last 12 months) was 7.1 (19.9) percent. The fair value gain from the partial demerger has been excluded from the ROE calculations. ROE and ROCE were negatively impacted by the EUR 200 million goodwill impairment relating to the sale of MacGregor. The key figures including components from the balance sheet (interest-bearing net debt at the end of the period, gearing, return on equity, return on capital employed) include discontinued operations in all presented periods, which impacted the key figures. Hiab's operative return on capital employed (operative ROCE, last 12 months) was 30.5 (30.7) percent.

Return on capital employed, % (ROCE), last 12 months



Interest-bearing net debt, MEUR, Gearing, %



Cash flow from operating activities before finance items and taxes totalled EUR 582 (544) million during 2024 including both continuing and discontinued operations. The increase in cash flow was driven by continued good profitability and lower net working capital.

Cargotec's liquidity position is strong. The liquidity reserves, consisting of cash and cash equivalents and undrawn EUR 330 million long-term committed revolving credit facilities including continuing and discontinued operations, totalled EUR 909 million on 31 December 2024 (31 Dec 2023: 1,115). In addition to the liquidity reserves, Cargotec had access to a EUR 150 million commercial paper programme, out of which EUR 150 (150) million were undrawn, as well as undrawn bank overdraft facilities, totalling EUR 50 (94) million.

The company's liquidity requirement – repayments of interest-bearing liabilities due within the following 12 months – totalled EUR 156 (159) million, which includes EUR 27 (43) million lease liabilities.

At the end of 2024, the interest-bearing debt amounted to EUR 393 (31 Dec 2023: 867) million, of which EUR 102 (178) million was in lease liabilities. Of the interest-bearing debt, EUR 156 (159) million was current and EUR 237 (708) million non-current debt. The average interest rate of interest-bearing liabilities, excluding on-balance sheet lease liabilities, was 1.7 (3.3) percent. Cash and cash equivalents, loans receivable, and other interest-bearing assets totalled EUR 579 (688) million. Interest-bearing net debt totalled EUR -186 (179) million.

At the end of 2024, Cargotec's equity to assets ratio was 47.6 (31 Dec 2023: 43.8) percent. Gearing was -18.1 (10.2) percent. Gearing based on continuing operations' net debt was -6.8 percent at the end of 2024.

Impacts of currencies and structural changes

	Orders received		Sales	
MEUR	**Q4**	**Q1-Q4**	**Q4**	**Q1-Q4**
2023	**1,015**	**3,987**	**1,193**	**4,569**
Restatement of Discontinued Operations	-61%	-63%	-62%	-61%
2023 Continuing operations	**401**	**1,466**	**450**	**1,787**
Organic growth in constant currencies, %	2%	4%	-9%	-6%
Impact of changes in exchange rates, %	1%	0%	1%	0%
Structural changes, %	0%	-1%	0%	-2%
Total change, Continuing operations, %	**3%**	**3%**	**-8%**	**-8%**
2024	**414**	**1,509**	**412**	**1,647**

In the fourth quarter of 2024, orders received increased organically in constant currencies by 2 percent. Changes in exchange rates had a 1 percentage point positive impact on orders received. Structural changes did not have a significant impact on orders received. In constant currencies, sales decreased organically by 9 percent. Changes in exchange rates had a 1 percentage point positive impact on sales. Structural changes did not have a significant impact on sales.

In the year 2024, orders received increased organically in constant currencies by 4 percent. Changes in exchange rates did not have a significant impact on Cargotec's orders received. Structural changes had a -1 percentage point impact on Cargotec's orders received. In constant currencies, sales decreased organically by 6 percent. Changes in exchange rates did not have a significant impact on Cargotec's sales. Structural changes had a -2 percentage point effect on Cargotec's sales.

Research and development

Research and product development expenditure in the year 2024 totalled EUR 39 (35) million, representing 2 (2) percent of sales. Hiab continuously develops equipment, intelligent services and connected solutions that create more value and empower customers to do their jobs with focus on sustainability, safety, reliability and efficiency. During the year 2024 Hiab launched 45 new products.

For loader cranes, Hiab launched HIAB wspr, a portfolio of emission-free and quiet electric hybrid crane solutions able to operate using power from both the truck engine and a separate electric power take-off (ePTO). When using electric power, the crane is near silent and also provides the flexibility to operate in low- or no-emission zones, or late at night. Additionally, Hiab introduced a new engine control feature for loader cranes in June. The feature includes an automatic start/stop functionality and dynamic flow control, which can save up to 20 percent in diesel consumption.

During the year, Hiab also launched the HIAB eX.HIPRO crane, the HIAB iQ.708 HIPRO heavy loader crane and the new JONSERED iZ.18R HD recycling crane. The HIAB eX.HIPRO provides unprecedented efficiency with energy savings of up to 30 percent while the HIAB iQ.708 HIPRO offers a design that balances weight, lifting performance and dimensions that contribute to increased safety and valuable payload. The JONSERED iZ.18R HD recycling crane signals entering the 18–19 tonne metre market, offering a sturdy and resistant mechanical structure platform.

In demountables, Hiab launched the MULTILIFT eULTIMA, the world's first plug-and-play hooklift designed specifically for electric trucks. Built with sustainability in mind, it is designed to deliver exceptional performance and efficiency, setting a new industry standard. Additionally, Hiab unveiled a new L2 Driver Support feature that automates reversing the vehicle into the optimal position for loading and unloading, as well as the MULTILIFT Talon, a semi-autonomous load handling system for defence logistics that automates and enhances container handling for faster, safer operations in challenging conditions.

The truck mounted forklift range has been updated with new electric and diesel models. The all-electric E Series now includes the E2, E5, and E8 models on top of previous models. Safety and performance has been increased in the upgraded N8 NX2 (formerly M8 NX) diesel model through a completed mid-life upgrade. New engines were also developed for Latin America to cope with emission requirements and for the M4 to improve supply chain flexibility. Additionally, the new Narrow M9 model with AI-powered person detection is now available for the poultry segment.

In tail lifts, Hiab launched the WALTCO MDV liftgate series for speedy and hassle-free dock loading and distribution. Combined with intuitive controls for easy operations, the new liftgate series offers several sustainability advantages and safety features.

In services, Hiab announced an expansion of its spare parts portfolio and the launch of MyHiab mobile app. The spare parts portfolio expansion creates new opportunities for growth in circular services, and the app improves operator productivity and safety by providing features and content about Hiab equipment throughout its lifecycle and establishes a communication channel between Hiab and the end users.

Capital expenditure

Capital expenditure excluding acquisitions totalled EUR 66 (45) million in 2024. The increase was mainly related to EUR 16 million purchases of leased assets in the US. Depreciation, amortisation and impairment amounted to EUR 44 (41) million. The amount includes impairments worth EUR 2 (0) million. Cargotec estimates that its capital expenditure excluding acquisitions in 2025 would be approximately EUR 90 million. The increase is related to investments in renewing product and service operations in Ireland and in the UK.

Acquisitions and divestments in 2024

Cargotec is actively developing and maintaining an M&A pipeline. The aim of a potential M&A would be to strengthen Hiab's portfolio and to complement the offering, enter new developing markets and seek growth in adjacent segments.

The completion of the partial demerger of Cargotec took place in June 2024, information regarding the demerger is available in the chapter Demerger of Cargotec and in note 18. Demerger.

In November 2024, Cargotec signed an agreement to sell MacGregor to funds managed by Triton. Information regarding the sale of MacGregor is available in the chapter Solution for MacGregor and preparation for standalone Hiab and in note 17. Discontinued operations.

Information regarding acquisitions and divestments is available in note 15. Acquisitions and disposals.

Operational restructurings

In August 2024, Hiab initiated planning of an efficiency improvement programme to reach approximately EUR 20 million cost savings in 2025. With the efficiency programme, Hiab aims to proactively adjust to continued uncertainty in the market environment. In the fourth quarter, Hiab booked EUR 15 million one-off items related to the efficiency programme. Out of the one-off items, EUR 11 million was related to streamlining the production setup in Italy. One-off items were booked above comparable operating profit. In the comparison period efficiency programme related one-off items amounted to EUR 16 million.

As part of preparing Hiab for its future standalone status, Cargotec has increased Hiab's administrative presence in Finland. This is not estimated to have a significant impact on Cargotec's comparable operating profit. The primary impact would be visible in income taxes paid in the consolidated cash flow statement mainly in 2025.

CARGOTEC

Personnel

Cargotec employed 4,234 (31 Dec 2023: 4,477) people at the end of the year 2024. Hiab employed 3,809 (3,877) and corporate administration and support functions 425 (600). The average number of employees during 2024 was 4,252 (1–12/2023: 4,535).

Salaries and remunerations to employees totalled EUR 275 (270) million in 2024.

Cargotec's annual Compass Employee Engagement survey provides valuable information on work-related feelings and thoughts of our employees. Through the survey, employees are encouraged to share their thoughts on a wide range of topics, such as work-life balance and well-being, social responsibility and leadership, and team climate.

The response rate of the 2024 Compass survey was 83 (2023: 78) percent. According to the results, categories focused on sustainability and collaboration within the closest team scored the highest. Categories evaluating leadership and direction have improved compared to the last survey. While improvements were seen in the leadership and direction categories, enhancing understanding and connection to the business strategy and future vision remains a priority alongside stress management and work-life balance. As per Cargotec's personnel procedures, managers are expected to organise feedback sessions and plan actions with their teams, focusing especially on areas requiring improvement.

Demerger of Cargotec

The completion of the partial demerger of Cargotec Corporation and the incorporation of a new Kalmar Corporation was registered in the Finnish Trade Register on 30 June 2024. Trading in the Kalmar class B shares on Nasdaq Helsinki commenced on 1 July 2024. Trading in Cargotec's class B shares has continued on the official list of Nasdaq Helsinki with a new ISIN code of FI4000571013. The new ISIN code for Cargotec's class A shares is FI4000571005.

The cumulative total costs related to the partial demerger amount to EUR 81 million. Cargotec estimates that no more costs will be booked related to the transaction. Costs are reported as part of discontinued operations.

Solution for MacGregor and preparation for standalone Hiab

Cargotec announced in May 2024 that the sales process of MacGregor had been started, aiming to find a solution in 2024. Cargotec signed an agreement to sell MacGregor on 14 November to funds managed by Triton for an enterprise value of EUR 480 million. The transaction is subject to regulatory approvals in relevant jurisdictions. Closing of the transaction is expected to occur by 1 July 2025 at the latest.

Cargotec recorded a tax-exempt loss of EUR 200 million on the transaction in the fourth quarter 2024 results. The loss was recorded as a goodwill impairment in items affecting comparability as a part of discontinued operations. The final amount of the loss will be determined at the time of closing the transaction and it depends on MacGregor's business performance until that point in time. Cargotec estimates that the total costs to separate MacGregor, in addition to the goodwill impairment, would be approximately EUR 25 million and recorded in items affecting comparability as a part of discontinued operations. Out of the separation costs, EUR 7 million was booked in 2024.

As the agreement to sell MacGregor has been signed, Cargotec's Board of Directors is proposing to Cargotec's General Meeting of shareholders that the company's name would be changed from Cargotec to Hiab. As the name change enters into force, the current President and CEO of Cargotec, Casimir Lindholm, has announced his intention to step down as President and CEO after a successfully executed transformation project of the Cargotec group. The Board of Directors would then appoint the President of the Hiab business, Scott Phillips, as the President and CEO of the renamed company being the current Cargotec. Cargotec currently estimates that these changes to transform into a standalone Hiab could take place on 1 April 2025. Current Cargotec CFO Mikko Puolakka would continue as CFO of the standalone Hiab.

Vision and Strategy

Hiab's vision is to be the number one partner in smart and sustainable load handling solutions. By being true to its values – reliable, caring, pioneering – Hiab continues to make load handling smarter, safer and more sustainable to build a better tomorrow.

Hiab's strategy for 2024–2028 is built on profitable growth based on a strong foundation.

Hiab targets profitable growth in essential industries like construction, waste & recycling, defence logistics, and retail & final mile. Essential industries are necessary to keep countries and organisations running, for daily lives and human development. This importance and resilience represents a sustainable growth opportunity for Hiab. Growing Hiab's North American and services businesses will have a defining role in the growth story. Hiab continues to be the leading player in sustainable load handling, benefiting from global trends and achieving increasing margins through operational and commercial excellence.

Hiab's strong foundation is built by maintaining a "Safety and Employees First" culture, maximising transparency, accountability, and agility through its decentralised operating model, and focusing on outcome-based innovation for applications. Hiab will also aim at optimising product costs, and implementing Lean Six Sigma methodologies. In this process, Hiab aims to optimise its supply chain, transactional processes and information management.

Key enablers to implement Hiab's strategy include a strong focus on people, through a people strategy that prioritises easiness, empowerment and excellence, fostering engaged employees who deliver a better customer experience.

Hiab will drive game changing innovation with customer-driven application solutions, prioritising performance and safety, and utilising connectivity and data-driven services, as well as electrification and advanced control systems. To constantly meet customer needs, Hiab improves safety, productivity and uptime of its solutions.

As a leader in sustainability and a 1.5°C company, Hiab will support its customers' sustainability goals, with a focus on low-emission material sourcing and increased eco portfolio sales.

Hiab will achieve commercial excellence by focusing on pricing excellence, value selling capabilities, key account management, and strong partner relationships.

Underpinning all of this will be Hiab's world-class operations, ensuring safety, efficient demand and supply planning and delivery, and a commitment to continuous process improvement.

By executing on this strategy, Hiab aims to achieve its key performance targets.

Performance targets

Cargotec published new long-term financial targets for its Hiab business area on 27 May 2024. On 11 February 2025, the Board amended the long-term financial targets set for Hiab to reflect the business' standalone future.

Cargotec's Board of Directors has set the following financial targets for Hiab to measure success by 2028:
- Annual sales growth over seven percent over the cycle
- Comparable operating profit 16 percent
- Return on capital employed over 25 percent[3]

Standalone Hiab also aims for a growing dividend of 30–50 percent of EPS and to keep gearing below 50 percent.

In addition to the long-term financial targets, Cargotec's climate target, validated by the Science Based Targets initiative (SBTi) in 2020, remains valid for the time being. The company is planning to update the climate target for standalone Hiab and apply for its validation from SBTi. The process starts in 2025.

The comparable operating profit target was amended from 18 percent as a business area to 16 percent as a standalone company to reflect increased corporate administrative and support function costs, which were earlier part of Cargotec group's corporate administrative and support functions. In 2024, these costs were approximately 1.7 percent of sales.

Sustainability

In 2024, Cargotec continued preparing for the EU's Corporate Sustainability Reporting Directive (CSRD). During the year, the company, for example, ensured its related process documentation and internal controls are sufficient and conducted an annual review of its double materiality assessment (DMA). As a result of the DMA review, Cargotec determined that E2 Pollution of the European Sustainability Reporting Standards (ESRS) is not a material topic for the company, and it was removed from the CSRD reporting scope. In the fourth quarter, the focus was on executing the company's annual sustainability reporting. Cargotec also continued CSRD-related knowledge transfers to Hiab and MacGregor during the year.

[3] Operative ROCE defined as (Operating profit / Operative capital employed)

Based on the original DMA conducted in 2023, Cargotec revised its sustainability agenda in 2024. The topics of Biodiversity and Business ethics were included, while Sustainable finance was removed. The company also updated its Sustainability Policy accordingly.

During 2024, Cargotec's Board of Directors and Leadership Team continued their sustainability training programme, which was completed in January 2025. The programme, which was organised by an external expert organisation, provided in-depth content and reflections related to corporate sustainability. Topics included upcoming regulations, integrating sustainability into the company strategy as well as deep dives into, for example, environmental issues, human rights and sustainable finance.

In the fourth quarter, eco portfolio sales decreased by 4 percent and amounted to EUR 122 (127) million, representing 30 (28) percent of consolidated sales. Eco portfolio sales decreased in the climate solutions category and increased in the circular solutions category.

In 2024, eco portfolio sales decreased by 11 percent and totalled EUR 476 (533) million, representing 29 (30) percent of consolidated sales. Eco portfolio sales decreased in the climate solutions category and remained at the comparison periods' level in the circular solutions category. Economic headwinds and high interest rates have been slowing down the green transition and negatively impacted eco portfolio sales.

During the year, Hiab included two new solutions into its eco portfolio: new generation loader cranes equipped with an Engine Control feature, including automatic start/stop and a dynamic RPM functionalities, and a tail lift designed to be lighter, which means the tail lift is built with less steel compared to conventional alternatives.

Cargotec's science-based climate target, validated by the Science Based Targets initiative (SBTi), is to reduce greenhouse gas emissions in all three emission scopes by at least 50 percent by 2030, compared to a 2019 baseline. In 2024, these emissions decreased by 21 percent for continuing operations, compared to 2023 (SBTi-validated baseline does not exist for continuing operations). The reduction is mainly due to reduced sales. The company's emission intensity also improved, which was partly due to the increased share of service sales of total sales (as compared to equipment that generates use phase emissions). Due to changes in the group structure, the company plans to submit an updated science-based climate target for SBTi validation during 2025.

Cargotec's safety performance is monitored primarily with the rolling 12 months industrial injury frequency rate (IIFR, number of injuries per million hours worked), which includes fatalities and lost time injuries. At the end of the fourth quarter, the company's IIFR performance was as follows:

	Hiab	Continuing operations
Performance in Q4/2024 (Q4/2023)	3.2 (3.2)	2.8 (2.8)
Assembly sites	4.2 (3.5)	4.2 (3.5)
Non-assembly sites	2.0 (2.8)	1.5 (2.0)
Target for 2024 (Hiab)	<3.2	N/A

In 2024, eco portfolio sales for discontinued operations totalled EUR 56 (89) million. Discontinued operations includes Kalmar for the first six months of 2024 and the full year for MacGregor. At the end of the quarter, the IIFR for discontinued operations was 3.2 (4.3).

Leadership Team

On 31 December 2024, Cargotec's Leadership Team consisted of Casimir Lindholm, President and CEO; Mikko Puolakka, Executive Vice President, CFO; Mikko Pelkonen, Senior Vice President, Human Resources; Mikael Laine, Senior Vice President, Strategy; Soili Mäkinen, Senior Vice President, Sustainable Business Development; Outi Aaltonen, Senior Vice President, General Counsel; Scott Phillips, President, Hiab; and Leif Byström, President, MacGregor.

On 11 February 2025, Cargotec announced that subject to the completion of the transformation project, its leadership team as of 1 April 2025 would consist of Scott Phillips, President and Chief Executive Officer (CEO) and interim Executive Vice President, Business Operations Development; Mikko Puolakka, Executive Vice President, CFO; Marcel Boxem, interim President, Loader Cranes, Heavy and Superheavy; Michaël Bruninx, President, Services; Hermanni Lyyski, President, Demountables and Defence; Barry McGrane, President, Truck Mounted Forklifts; Martin Saint, President, Tail Lifts; Magdalena Wojtowicz-Tokarz, President, Loader Cranes, Light and Medium; Sanna Ahonen, Executive Vice President, Business Excellence and Sustainability; Ghita Jansson-Kiuru, Executive Vice President, HR; Birgitte Skade, Executive Vice President, Marketing and Communications and Taina Tirkkonen, Executive Vice President, General Counsel.

Reporting segments

Hiab

MEUR	Q4/24	Q4/23	Change	2024	2023	Change
Orders received	414	401	3%	1,509	1,466	3%
Order book, end of period	648	799	-19%	648	799	-19%
Sales	412	450	-8%	1,647	1,787	-8%
Service sales	118	114	4%	462	452	2%
% of sales	29%	25%		28%	25%	
Operating profit	48.0	47.8	0%	244.7	252.2	-3%
% of sales	11.6%	10.6%		14.9%	14.1%	
Comparable operating profit	48.0	47.8	0%	244.7	252.1	-3%
% of sales	11.6%	10.6%		14.9%	14.1%	
Operative return on capital employed (operative ROCE) (%), last 12 months	30.5%	30.7%		30.5%	30.7%	
Personnel, end of period	3,809	3,877	-2%	3,809	3,877	-2%

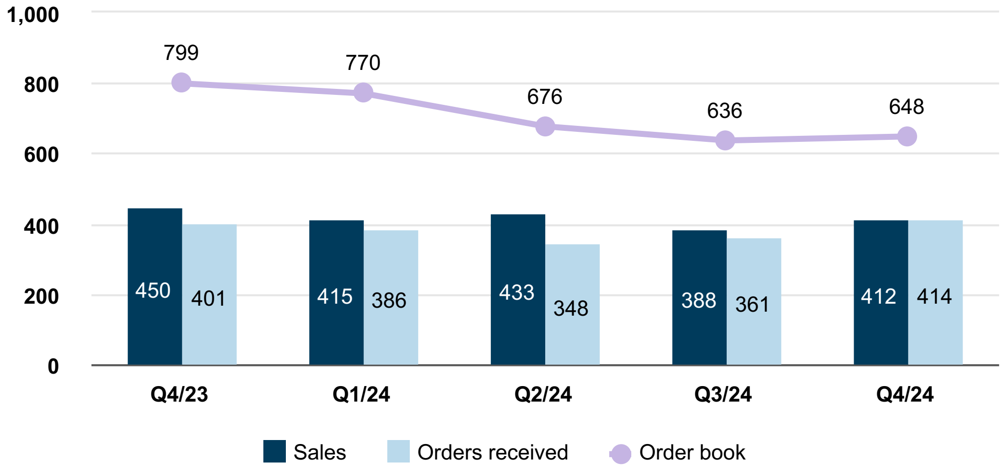
In the fourth quarter, Hiab's orders received increased by 3 percent from the comparison period and totalled EUR 414 (401) million.

Major orders received by Hiab in 2024 included:

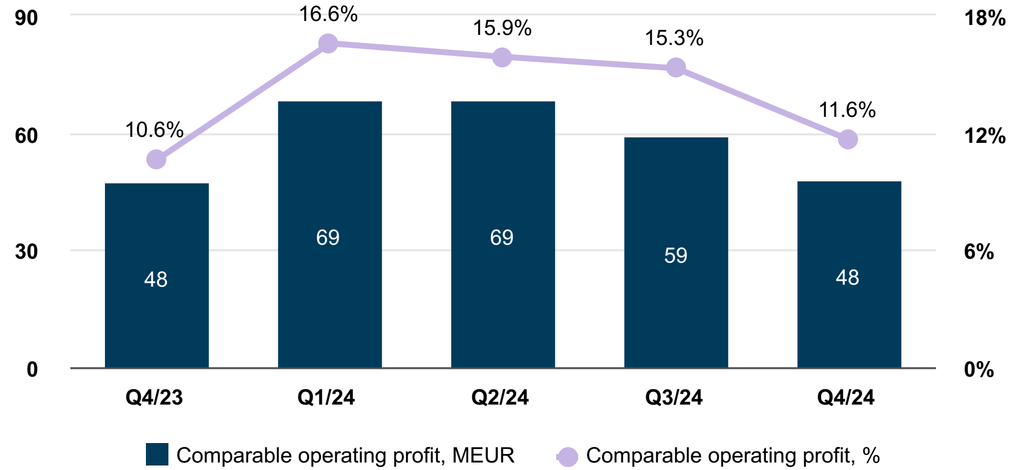
- custom-designed HIAB SWP loader cranes to be used in offshore wind turbines for customers in Europe and Asia with an order value of EUR 5 million (Q1 2024)
- WALTCO tail lifts for a customer in the USA with an order value of EUR 7 million (Q1 2024)
- two defence logistics orders for NATO member states of MULTILIFT hooklifts and HIAB loader cranes. The total value of the orders was approximately EUR 16 million (Q3 2024)
- four MOFFETT truck-mounted forklift orders for three construction industry customers and one large dealer in the USA. The total value of the orders was approximately EUR 40 million (Q3 2024)
- two orders of MOFFETT truck-mounted forklifts from home improvement segment customers in the USA, with a total value of approximately EUR 19.5 million (Q4 2024)
- one defence logistics order for a NATO member state of HIAB X-HiPro 858 loader cranes. The total value of the order was approximately EUR 13 million (Q4 2024)

CARGOTEC

Sales, orders received, order book, MEUR



Comparable operating profit, MEUR
Comparable operating profit, %



Hiab's orders received in 2024 increased by 3 percent and totalled EUR 1,509 (1,466) million.

Hiab's order book decreased by 19 percent from the end of 2023, totalling EUR 648 (31 Dec 2023: 799) million at the end of the year 2024.

Hiab's fourth quarter sales decreased by 8 percent and totalled EUR 412 (450) million. Service sales increased by 4 percent and amounted to EUR 118 (114) million, representing 29 (25) percent of sales.

Hiab's 2024 sales decreased by 8 percent and totalled EUR 1,647 (1,787) million. Service sales increased by 2 percent and amounted to EUR 462 (452) million, representing 28 (25) percent of sales.

Hiab's fourth quarter operating profit totalled EUR 48 (48) million. Items affecting comparability amounted to EUR 0 (0) million. The comparable operating profit for the fourth quarter remained at the comparison period's level and amounted to EUR 48 (48) million, representing 11.6 (10.6) percent of sales. Decline in sales was offset by successful management of inflationary pressures as well as sourcing and supply chain actions. In the fourth quarter, Hiab booked EUR 15 million one-off items related to the cost savings. Out of the one-off items, EUR 11 million was related to streamlining the production setup in Italy. One-off items were booked above comparable operating profit. In the comparison period, one-off items relating to cost savings amounted to EUR 16 million. Excluding one-offs, Hiab's fourth quarter comparable operating profit margin would have been 15.2 (14.2) percent. Hiab's fourth quarter cash flow from operations amounted to EUR 61 million.

Hiab's operating profit in 2024 totalled EUR 245 (252) million. Items affecting comparability amounted to EUR 0 (0) million. The comparable operating profit in 2024 decreased by 3 percent and amounted to EUR 245 (252) million, representing 14.9 (14.1) percent of sales. Hiab's comparable operating profit decreased due to lower sales. Decline in sales was partly offset by successful management of inflationary pressures. Hiab's cash flow from operations in 2024 amounted to EUR 323 million.

Annual General Meeting

Decisions taken at the Annual General Meeting

Cargotec Corporation's Annual General Meeting was held on 30 May 2024 in Helsinki, Finland. The meeting adopted the financial statements and consolidated financial statements, approved the remuneration policy and the remuneration report 2023, and granted discharge from liability to the members of the Board of Directors and to the President and CEO for the financial year 1 January–31 December 2023. The Annual General Meeting authorised the Board of Directors to decide on the repurchase of the company's own shares, share issues, and on donations.

The meeting approved a dividend distribution of EUR 2.14 per class A share and EUR 2.15 for each outstanding class B share. The dividend payment day was 10 June 2024.

The number of Board members was confirmed at seven. The current Board members Raija-Leena Hankonen-Nybom, Ilkka Herlin and Ritva Sotamaa were re-elected to the Board of Directors. Eric Alström, Jukka Moisio, Tuija Pohjolainen-Hiltunen and Luca Sra were elected as new members of the Board of Directors. The remuneration of the Board members was approved as per the proposal made to the Annual General Meeting.

The Annual General Meeting re-elected the accounting firm Ernst & Young Oy as the company's auditor, and the authorised sustainability auditor Ernst & Young Oy as the sustainability reporting assurance provider. Their fees were decided to be paid according to their invoices reviewed by the company.

The Annual General Meeting resolved on the partial demerger of Cargotec Corporation in accordance with the demerger plan approved by the Board of Directors and signed on 1 February 2024. As part of the demerger resolution and conditional upon the completion of the demerger, the Annual General Meeting resolved on the incorporation of Kalmar Corporation and approval of its articles of association, the composition and remuneration of the Board of Directors of Kalmar Corporation, as well as on the auditor and sustainability reporting assurance provider and their fees. Also as part of the demerger resolution and conditional upon the completion of the demerger, the Annual General Meeting resolved on the establishment of the Shareholders' Nomination Board of Kalmar Corporation and adopted its charter. The meeting also approved the remuneration policy for governing bodies of Kalmar Corporation.

As part of the demerger resolution and conditional upon the completion of the demerger, the Annual General Meeting resolved on a decrease of share capital of Cargotec Corporation and on the dissolution of share premium reserve of Cargotec Corporation.

Cargotec published the notice to Annual General Meeting 2024 on 8 April 2024. On 30 May 2024, Cargotec published stock exchange releases on the decisions taken at the AGM as well as the Board of Directors' organising meeting. The notice, stock exchange releases and presentations of the members of the Board of Directors are available on Cargotec's website at www.cargotec.com.

Shares and trading

Share capital, own shares and share issue

Cargotec Corporation's share capital totalled EUR 20,000,000 at the end of December 2024. The number of class B shares was 55,182,079, while the number of class A shares totalled 9,526,089. The Annual General Meeting of Cargotec held on 30 May 2024 resolved on a decrease of share capital of Cargotec Corporation from EUR 64,304,880 to EUR 20,000,000, and on the dissolution of share premium reserve of Cargotec Corporation, as part of the Demerger resolution. The demerger was completed on 30 June 2024. The Demerger did not have an effect on the number of shares of Cargotec. More information about the Demerger is presented in note 17. Discontinued operations, and in note 18. Demerger.

At the end of December 2024, Cargotec held a total of 784,050 own class B shares, accounting for 1.21 percent of the total number of shares and 0.52 percent of the total number of votes. The number of outstanding class B shares totalled 54,398,029.

During the third quarter, Cargotec's Board of Directors exercised the authorisation of the Annual General Meeting on 30 May 2024 to repurchase company's own shares. According to the decision, Cargotec repurchased 400,000 own class B shares at public trading on Nasdaq Helsinki Ltd. at an average price of EUR 46.6784 between 9 August – 27 September 2024.

During the first quarter, Cargotec's Board of Directors exercised the authorisation of the Annual General Meeting on 23 March 2023 to repurchase company's own shares. According to the decision, Cargotec repurchased 150,000 own class B shares at public trading on Nasdaq Helsinki Ltd. at an average price of 61.6730 between 9–29 February 2024.

During the first quarter, Cargotec's Board of Directors decided on a directed share issue related to the reward payments for share-based incentive programmes. In the share issue, 172,993 own class B shares held by the company were transferred on 28 March 2024 without consideration to the key employees participating in the share-based incentive programmes in accordance with the programme-specific terms and conditions. More detailed information about the launch and the terms and conditions of these programmes is available in the stock exchange releases published on 4 February 2021,13 May 2022 and 2 February 2023.

The decision on the directed share issue was based on the authorisation granted to the Board of Directors by the Annual General Meeting on 23 March 2023. According to the authorisation, the Board of Directors can decide on a share issue amounting to a maximum of 952,000 class A shares and 5,448,000 class B shares.

Share-based incentive programmes

During the fourth quarter of the financial year 2024, Cargotec had several share-based incentive programmes in place for the group's key employees. During the fourth quarter, the Board of Directors established the following share-based incentive programmes:

- In December, the Board of Directors resolved to establish a new performance share programme for the company's management and selected key employees. The programme includes calendar years 2025–2027 as a performance period. The performance criterion based on which the potential reward will be paid is the company's earnings per share (EPS). The rewards from the programme will be paid partly in the company's class B shares and partly in cash in 2028. The rewards to be paid on the basis of the programme will amount up to an approximate maximum total of 90,000 Cargotec's class B shares. The programme is directed to approximately 70 key employees, including the members of the company's Leadership Team.
- Also in December, the Board of Directors resolved to establish a new restricted shares programme for calendar years 2025–2027. The purpose of the programme is to serve as a complementary long-term retention tool for individually selected employees of the company in specific situations. The rewards to be paid on the basis of the programme will amount up to an approximate maximum total of 10,000 of the company's class B shares.

On 7 August 2024, Cargotec's Board of Director's resolved on the adjustments of the ongoing share-based incentive programmes due to the demerger. The adjustments aimed at retaining the reward values for the programme participants unaffected by compensating for the decrease in the share's value following the demerger. As a result, the rewards denominated as number of Cargotec class B shares were revised using a multiplier resolved by the Board of Directors. The adjustment was applied to share allocations of active programme participants instead of the original maximum share allocations per programme. Adjustments were not made to the terms and conditions of the programmes.

The following share-based incentive programmes established by the Board of Directors of Cargotec during the past financial years were in operation during 2024:

- Performance share programme 2020–2024, performance period 2022–2024. The performance period includes three measuring periods of one calendar year. For its third measuring period of the financial year 2024, the potential reward will be based on the eco portfolio share in orders received for the key employees of the Hiab business area. For Cargotec Corporate key employees, the performance criterion is Cargotec's eco portfolio share in orders received. The programme is directed to approximately 70 key employees, including the members of Cargotec Leadership Team. The rewards to be paid on the basis of the performance period to active programme members amount up to an approximate maximum total of 220,000 Cargotec's class B shares.
- Performance share programme 2023–2025, performance period 2023–2025. The performance period includes three measuring periods of one calendar year. For its second measuring period 2024, the potential reward will be based on the service gross profit for the key employees of the Hiab business area. For Cargotec Corporate key employees, the performance criterion is Cargotec's service gross profit. The programme is directed to approximately 70 key employees, including the members of Cargotec Leadership Team. The rewards to be paid on the basis of the performance period to active programme members amount up to an approximate maximum total of 213,000 Cargotec's class B shares.
- Performance share programme 2024–2026, performance period 2024–2026. The performance period includes three measuring periods of one calendar year. For the key employees of the Hiab business area, the potential reward of the programme from the first measuring period 2024 will be based on the business areas' earning per share (EPS). For the Cargotec Corporate key employees, the performance criteria is Cargotec's earning per share (EPS). The programme is directed to approximately 70 key employees, including the members of Cargotec Leadership Team. The rewards to be paid on the basis of the performance period to active programme members amount up to an approximate maximum total of 200,000 Cargotec's class B shares.
- Restricted share programme 2020–2024, earnings period 2022–2024. The rewards to be paid on the basis of the performance period amount up to an approximate maximum total of 17,000 Cargotec's class B shares.
- Restricted share programme 2023–2025. The rewards to be paid on the basis of the programme to active programme members amount up to an approximate maximum total of 16,000 Cargotec's class B shares.
- Restricted share programme 2024–2026. The rewards to be paid on the basis of the programme to active programme members amount up to an approximate maximum total of 15,000 Cargotec's class B shares.

- Restricted share unit programme 2023–2025. The reward from the programme is conditional on the achievement of strategic goals set by the Board of Directors. The reward is estimated to be paid in 2025. The shares received as a reward from the programme may not be sold, transferred, pledged or otherwise assigned during a lock-up period which ends six months after the reward payment. The programme is intended for approximately 50 Cargotec group's key employees, including selected Leadership Team members. The rewards to be paid on the basis of the programme to active programme members amount up to an approximate maximum total of 419,000 Cargotec's class B shares.

Market capitalisation and trading

Trading on Nasdaq Helsinki Oy[4]	2024	2023
Total market value of class B shares. MEUR[5]	2,779	2,887
Market capitalisation of class A and B shares at the end of the period, MEUR[6]	3,266	3,389
Closing price of class B share, EUR[7]	51.08	52.70
Volume-weighted average price of class B share, EUR	57.39	45.68
Highest quotation of class B share, EUR	82.90	55.15
Lowest quotation of class B share, EUR	41.26	35.28
Trading volume, million class B shares	22	22
Turnover of class B shares, MEUR	1,289	1,020

At the end of the period, the number of registered shareholders was 34,722. The number of Finnish household shareholders was 33,054, corresponding to approximately 15 percent ownership of all Cargotec's shares. At the end of the period, approximately 31 percent of Cargotec's shares were nominee registered or held by non-Finnish holders.

Upon the completion of the Demerger 30 June 2024, the shareholders of Cargotec received as demerger consideration one (1) new share of the corresponding share class (i.e., class A or class B) in Kalmar for each class A and class B share owned in Cargotec, which had a negative impact on Cargotec's share price on 1 July 2024.

Short-term risks and uncertainties

Developments in the global economy have a direct effect on Cargotec's operating environment and customers' willingness to invest. Changes in the global economy and supply chains, geopolitical tensions and wars, energy availability, tariffs, sanctions and trade wars can have an impact on the demand of Hiab's solutions.

Still high borrowing costs and inflation, withdrawal of fiscal support, longer-term effects from the COVID-19 pandemic and Russia's invasion of Ukraine as well as tensions in Middle East, weak growth in productivity and increasing geo-economic fragmentation are limiting economic growth.

In the current market situation, demand for Hiab's solutions might be lower than in previous years. Customers may also try to postpone or cancel orders or demand lower prices. Despite planned cost savings, lower production volumes could impact Hiab's profitability margins negatively.

In addition to economic growth, for example, Hiab's demand is also impacted by the development of the construction market. Low new building activity can negatively impact demand of a part of Hiab's portfolio, especially in Europe.

Availability problems and increases in costs of components, raw materials and energy as well as tariffs could make cost control more challenging, elevate manufacturing expenses as well as increase challenges to pass them on to the prices of end products. The turnover, availability and cost of skilled personnel can create disturbances to Cargotec and its supplier operations and increase costs. Hiab's solutions are installed on trucks, and truck delivery bottlenecks can have a negative impact on Hiab's sales development.

The deterioration of the global economic outlook and access to finance as well as interest rates that have remained higher than in the past decade can lead to economic and financial difficulties among Hiab's customers and dealers. In some cases their financial position may rapidly deteriorate significantly or even lead to insolvency.

A significant share of Hiab's orders are from the United States. Even though cash flows are hedged for the existing order book, the weakening of the US dollar could in the longer term weaken Hiab's results. Similarly, a stronger dollar can improve Hiab's results.

Cargotec's Board of Directors is proposing to Cargotec's General Meeting of shareholders that the company's name would be changed from Cargotec to Hiab. The planned actions can include risks related to the retention of skilled personnel, customer relationships, the execution of potential transactions, and costs, for example. Becoming a standalone company could impact Hiab's profitability negatively. Changes in operating models, combined with tightening tax regulation, may lead to additional tax payments.

[4] Class B shares were also traded in several alternative marketplaces.
[5] At the end of the period, excluding own shares held by the company.
[6] Excluding own shares held by the company, unlisted class A shares are valued at the average price of class B shares on the last trading day of the period.
[7] On the last trading day of the period.

Cargotec is exposed to climate-related risks via environmental, regulatory, and technological changes, and due to the commitments it has made to reduce emissions. Evaluation of the financial impacts of climate change on Cargotec is complicated because the occurrence and timing of the resulting effects are difficult to predict, let alone quantify.

Reaching the set emission targets requires efforts in every aspect of Cargotec's business. In addition to being exposed to climate-related risks, the ongoing transition process causes new risks, the realisation of which can have significant financial effects. These effects can lead, for example, to impairments of assets due to the shortened life cycles of products, as well as additional costs related to the introduction of new technologies, which may arise in product development, the realisation of project risks, the growth of inventories, and new types of warranty defects. In addition, tightening regulation may directly limit Cargotec's product offering.

Cargotec is involved in certain legal disputes, investigations and trials. The interpretation of international agreements and legislation may weaken the predictability of the end results of legal disputes and trials. Further, Cargotec is involved in governmental business with specific requirements. Failing to comply with such requirements may lead to penalties or exclusion from government tenders.

Risks regarding Cargotec’s acquisitions are related to, for example, the knowledge of local markets, authority processes, customers, corporate culture, integration, costs, achieving targets, as well as key employees.

Information security risks are also materially related to Cargotec’s operations. A cyber attack on systems that are critical to the operations of the company, its customers or suppliers can disrupt operational stability, lead to a decrease in sales and damage Cargotec’s and Hiab's reputation, for example.

There are also ethical risks related to the industries and the geographical scope where Cargotec operates. Cargotec has increased actions to ensure compliance with its business guidelines, regulations and ethical principles. Related internal processes are constantly being developed.

Cargotec signed an agreement to sell MacGregor on 14 November 2024 to funds managed by Triton. The transaction is subject to regulatory approvals in several jurisdictions and the timing of obtaining the approvals can have an impact on the timing of closing the transaction. The final loss recorded from the transaction will be determined upon closing of the transaction and it can deviate from the goodwill impairment booked in the fourth quarter 2024.

More information on risks is available at www.cargotec.com, under Investors > Governance > Internal control and risk management.

Board of Directors’ proposal on the distribution of 2024 profit

The parent company’s distributable equity on 31 December 2024 was EUR 759,720,214.12. The Board of Directors proposes to the Annual General Meeting convening on 26 March 2025 that of the distributable profit, a dividend of EUR 1.19 for each of the 9,526,089 class A shares and EUR 1.20 for each of the 54,398,029 (31 December 2024) outstanding class B shares be paid for the financial period ended 31 December 2024, totalling EUR 76,613,680.71.

The dividend shall be paid to shareholders who on the record date for dividend distribution, 28 March 2025, are registered as shareholders in the company's shareholder register maintained by Euroclear Finland Ltd. The dividend payment date proposed by the Board of Directors is 4 April 2025.

The Board of Directors further proposes to the Annual General Meeting that of the distributable profit, the Board of Directors be authorised to decide on an additional dividend in the amount of EUR 1.56 for each of the 9,526,089 class A shares and EUR 1.57 for each of the 54,398,029 (31 December 2024) outstanding class B shares, totalling EUR 100,265,604.37. The payment of the additional dividend will be subject to the closing of the sale of the MacGregor business to funds managed by Triton, as announced by the company on 14 November 2024. The Board of Directors has indicated that it will exercise the authorisation provided that the closing occurs in accordance with the terms of the transaction. The Board of Directors intends to resolve on the additional dividend in its meeting scheduled for 29 September 2025. The company will separately publish resolutions of the Board of Directors on the dividend payment and confirm the record and payment dates in connection with such resolutions.

The additional dividend to be paid based on the authorisation would be paid to shareholders who on the payment record date in question are registered as shareholders in the company’s shareholders’ register maintained by Euroclear Finland Ltd. The Board of Directors proposes that the authorisation includes the right for the Board of Directors to decide on all other terms and conditions related to the dividend payment. The authorisation would be effective until 31 December 2025.

The remaining distributable equity, after both dividend payments, EUR 582,840,929.04, will be retained and carried forward.

No significant changes have occurred in Cargotec’s financial position after the end of the financial year. Liquidity is at a healthy level and the proposed distribution of dividend poses no risk on the company’s financial standing.

Events after the reporting period

On 11 February 2025, Cargotec announced that subject to the completion of the transformation project, its leadership team as of 1 April 2025 would consist of Scott Phillips, President and Chief Executive Officer (CEO) and interim Executive Vice President, Business Operations Development; Mikko Puolakka, Executive Vice President, CFO; Marcel Boxem, interim President, Loader Cranes, Heavy and Superheavy; Michaël Bruninx, President, Services; Hermanni Lyyski, President, Demountables and Defence; Barry McGrane, President, Truck Mounted Forklifts; Martin Saint, President, Tail Lifts; Magdalena Wojtowicz-Tokarz, President, Loader Cranes, Light and Medium; Sanna Ahonen, Executive Vice President, Business Excellence and Sustainability; Ghita Jansson-Kiuru, Executive Vice President, HR; Birgitte Skade, Executive Vice President, Marketing and Communications and Taina Tirkkonen, Executive Vice President, General Counsel.

Cargotec published new long-term financial targets for its Hiab business area on 27 May 2024. On 11 February 2025, the Board amended the long-term financial targets set for Hiab to reflect the business' standalone future.

Cargotec's Board of Directors has set the following financial targets for Hiab to measure success by 2028:

- Annual sales growth over seven percent over the cycle
- Comparable operating profit 16 percent
- Return on capital employed over 25 percent[8]

Standalone Hiab also aims for a growing dividend of 30–50 percent of EPS and to keep gearing below 50 percent.

In addition to the long-term financial targets, Cargotec's climate target, validated by the Science Based Targets initiative (SBTi) in 2020, remains valid for the time being. The company is planning to update the climate target for standalone Hiab and apply for its validation from SBTi. The process starts in 2025.

The comparable operating profit target was amended from 18 percent as a business area to 16 percent as a standalone company to reflect increased corporate administrative and support function costs, which were earlier part of Cargotec group's corporate administrative and support functions. In 2024, these costs were approximately 1.7 percent of sales.

[8] Operative ROCE defined as (Operating profit / Operative capital employed)

Outlook for 2025

Cargotec estimates its continuing operations' comparable operating profit margin in 2025 to be above 12.0 percent (2024: 13.2 percent).

Annual General Meeting 2025

The Annual General Meeting of Cargotec Corporation will be held on Wednesday, 26 March 2025.

Financial calendar 2025

Cargotec Corporation will disclose the following financial information in 2025:

- Interim report January–March 2025, on Wednesday, 30 April 2025
- Half year financial report January–June 2025, on Wednesday, 23 July 2025
- Interim report January–September 2025, on Friday, 24 October 2025

Cargotec's Financial Statements 2024 and Annual Report 2024 will be available at www.cargotec.com on week 9.

Helsinki, 11 February 2025
Cargotec Corporation
Board of Directors

CARGOTEC

Consolidated statement of income

MEUR	Note	Q4/24	Q4/23	2024	2023
Sales	5	**412.4**	**450.0**	**1,647.3**	**1,786.5**
Cost of goods sold		-304.0	-333.8	-1,168.7	-1,306.3
Gross profit		**108.3**	**116.3**	**478.6**	**480.2**
Gross profit, %		26.3%	25.8%	29.1%	26.9%
Selling and marketing expenses		-25.8	-27.2	-95.7	-97.8
Research and development expenses		-10.9	-10.6	-38.5	-34.7
Administration expenses		-33.6	-40.4	-133.7	-131.2
Restructuring costs	7	—	—	—	0.1
Other operating income		2.6	0.8	7.0	4.9
Other operating expenses		0.5	-1.0	-0.5	-2.4
Operating profit		**41.0**	**38.0**	**217.1**	**219.2**
Operating profit, %		9.9%	8.4%	13.2%	12.3%
Finance income		3.5	2.5	14.6	5.8
Finance expenses		-5.2	-4.8	-18.3	-19.6
Profit before taxes		**39.3**	**35.7**	**213.4**	**205.4**
Profit before taxes, %		9.5%	7.9%	13.0%	11.5%
Income taxes	9	-12.2	-12.1	-58.4	-52.0
Profit for the period, continuing operations		**27.1**	**23.5**	**155.0**	**153.5**
Profit for the period, discontinued operations	17	-186.3	37.8	912.5	195.2
Profit for the period		**-159.2**	**61.3**	**1,067.5**	**348.7**
Profit for the period attributable to:					
Shareholders of the parent company		-159.5	59.2	1,066.7	346.9
Non-controlling interest		0.3	2.1	0.8	1.8
Total		**-159.2**	**61.3**	**1,067.5**	**348.7**

MEUR	Note	Q4/24	Q4/23	2024	2023
Earnings per share for profit attributable to the shareholders of the parent company:					
Basic earnings per share, EUR					
Continuing operations		0.42	0.33	2.40	2.35
Discontinued operations	17	-2.88	0.59	14.22	3.03
Diluted earnings per share, EUR					
Continuing operations		0.42	0.34	2.39	2.35
Discontinued operations	17	-2.89	0.59	14.16	3.02

The notes are an integral part of the financial statements review.

Consolidated statement of comprehensive income

MEUR	Q4/24	Q4/23	2024	2023
Profit for the period	**-159.2**	**61.3**	**1,067.5**	**348.7**
Other comprehensive income				
Items that cannot be reclassified to statement of income:				
Actuarial gains (+) / losses (-) from defined benefit plans	-2.2	-8.2	-1.3	-7.4
Taxes relating to items that cannot be reclassified to statement of income	0.4	1.7	0.3	1.5
Items that can be reclassified to statement of income:				
Gains (+) / losses (-) on cash flow hedges	-28.3	32.5	-27.1	19.9
Gains (+) / losses (-) on cash flow hedges transferred to statement of income	12.1	-16.4	14.6	-19.2
Translation differences*	3.2	3.6	71.4	-22.5
Taxes relating to items that can be reclassified to statement of income	2.9	-3.0	2.3	-0.5
Share of other comprehensive income of associates and JV, net of tax	—	0.0	0.7	0.7
Other comprehensive income, net of tax	**-12.0**	**10.1**	**60.9**	**-27.4**
Comprehensive income for the period	**-171.2**	**71.5**	**1,128.4**	**321.2**

MEUR	Q4/24	Q4/23	2024	2023
Comprehensive income for the period attributable to:				
Shareholders of the parent company	-171.6	69.4	1,127.6	319.5
Non-controlling interest	0.4	2.1	0.8	1.7
Total	**-171.2**	**71.5**	**1,128.4**	**321.2**
Comprehensive income for the period attributable to Shareholders of the parent company:				
Continuing operations	25.8	25.5	222.6	126.5
Discontinued operations	-197.3	43.9	904.9	193.0
Total	**-171.6**	**69.4**	**1,127.6**	**319.5**

*Including translation differences transferred to statement of income in connection with the partial demerger, see note 18, Demerger

The notes are an integral part of the financial statements review.

CARGOTEC

Consolidated balance sheet

ASSETS, MEUR	Note	31 Dec 2024	31 Dec 2023
Non-current assets			
Goodwill		240.1	878.1
Intangible assets		23.2	118.4
Property, plant and equipment		159.1	444.9
Investments in associated companies and joint ventures	16	—	76.6
Loans receivable and other interest-bearing assets	11	—	0.1
Deferred tax assets		82.1	122.2
Other non-interest-bearing assets		2.0	5.8
Total non-current assets		**506.5**	**1,646.0**
Current assets			
Inventories		333.8	1,033.8
Loans receivable and other interest-bearing assets*	11	0.3	3.4
Income tax receivables		31.5	18.5
Derivative assets	12	6.0	54.0
Accounts receivable		240.8	723.8
Contract assets		1.5	47.3
Other non-interest-bearing assets		99.0	164.9
Cash and cash equivalents*	11	439.1	684.7
Total current assets		**1,152.0**	**2,730.4**
Assets held for sale	17	**791.6**	**–**
Total assets		**2,450.1**	**4,376.5**

*Included in interest-bearing net debt.

Information about the net assets held for sale is presented in note 17. Discontinued operations. Information about the net assets distributed to the owners in connection with the partial demerger is presented in note 18, Demerger. The comparative data include continuing and discontinued operations.

The notes are an integral part of the financial statements review.

EQUITY AND LIABILITIES, MEUR	Note	31 Dec 2024	31 Dec 2023
Equity attributable to the shareholders of the parent company			
Share capital		20.0	64.3
Share premium		—	98.0
Translation differences		14.9	-56.4
Fair value reserves		-12.0	-2.5
Reserve for invested unrestricted equity		—	35.3
Retained earnings		1,002.5	1,613.6
Total equity attributable to the shareholders of the parent company		**1,025.4**	**1,752.3**
Non-controlling interest		1.9	1.5
Total equity		**1,027.3**	**1,753.8**
Non-current liabilities			
Interest-bearing liabilities*	11	220.9	708.2
Deferred tax liabilities		11.7	21.9
Pension obligations		25.4	89.0
Provisions		0.3	5.6
Other non-interest-bearing liabilities		10.0	87.1
Total non-current liabilities		**268.2**	**911.8**
Current liabilities			
Current portion of interest-bearing liabilities*	11	148.5	142.9
Other interest-bearing liabilities*	11	0.0	15.6
Provisions		38.2	154.9
Income tax payables		50.1	54.3
Derivative liabilities	12	6.1	26.0
Accounts payable		158.9	511.2
Contract liabilities		24.3	374.5
Other non-interest-bearing liabilities		126.8	431.5
Total current liabilities		**552.9**	**1,710.9**
Liabilities associated with assets held for sale	17	**601.7**	**–**
Total equity and liabilities		**2,450.1**	**4,376.5**

Consolidated statement of changes in equity

	Attributable to the shareholders of the parent company							Non-controlling interest	Total equity
MEUR	Share capital	Share premium	Translation differences	Fair value reserves	Reserve for invested unrestricted equity	Retained earnings	Total		
Equity 1 Jan 2024	**64.3**	**98.0**	**-56.4**	**-2.5**	**35.3**	**1,613.6**	**1,752.3**	**1.5**	**1,753.8**
Profit for the period						1,066.7	1,066.7	0.8	1,067.5
Cash flow hedges				-9.5			-9.5	—	-9.5
Translation differences			71.3				71.3	0.1	71.4
Actuarial gains and losses from defined benefit plans						-1.0	-1.0	—	-1.0
Comprehensive income for the period*	**—**	**—**	**71.3**	**-9.5**	**—**	**1,065.7**	**1,127.6**	**0.8**	**1,128.4**
Effect of the partial demerger	-44.3	-98.0			-26.0	168.3	—		—
Fair value of net assets distributed to owners						-1,698.2	-1,698.2		-1,698.2
Dividends paid						-138.2	-138.2	-0.4	-138.6
Treasury shares acquired					-9.3	-18.7	-28.0		-28.0
Share-based payments						9.9	9.9		9.9
Transactions with owners of the company	**-44.3**	**-98.0**	**—**	**—**	**-35.3**	**-1,676.8**	**-1,854.4**	**-0.4**	**-1,854.9**
Transactions with non-controlling interests						—	—	—	—
Equity 31 Dec 2024	**20.0**	**—**	**14.9**	**-12.0**	**—**	**1,002.5**	**1,025.4**	**1.9**	**1,027.3**
Equity 1 Jan 2023	**64.3**	**98.0**	**-34.0**	**-3.5**	**52.8**	**1,350.0**	**1,527.6**	**0.7**	**1,528.3**
Profit for the period						346.9	346.9	1.8	348.7
Cash flow hedges				0.9			0.9	—	0.9
Translation differences			-22.4				-22.4	0.0	-22.5
Actuarial gains and losses from defined benefit plans						-5.9	-5.9	—	-5.9
Comprehensive income for the period*	**—**	**—**	**-22.4**	**0.9**	**—**	**341.0**	**319.5**	**1.7**	**321.2**
Dividends paid						-86.9	-86.9	-0.3	-87.3
Treasury shares acquired					-17.5		-17.5		-17.5
Share-based payments						9.6	9.6		9.6
Transactions with owners of the company	**—**	**—**	**—**	**—**	**-17.5**	**-77.4**	**-94.9**	**-0.3**	**-95.2**
Transactions with non-controlling interests						—	—	-0.6	-0.6
Equity 31 Dec 2023	**64.3**	**98.0**	**-56.4**	**-2.5**	**35.3**	**1,613.6**	**1,752.3**	**1.5**	**1,753.8**

*Net of tax
The notes are an integral part of the financial statements review.

Consolidated statement of cash flows

Cash flow statement includes continuing and discontinued operations.

MEUR	Note	Q4/24	Q4/23	2024	2023
Net cash flow from operating activities					
Profit for the period		-159.2	61.4	1,067.5	348.7
Depreciation, amortisation and impairment	8	216.2	28.7	270.6	114.9
Finance income and expenses		1.1	7.1	14.6	30.8
Income taxes	9	3.5	20.7	80.9	104.3
Non-cash adjustments related to partial demerger	18	—	—	-1,039.7	—
Change in non-interest bearing receivables		39.9	102.9	116.4	35.8
Change in non-interest bearing liabilities		29.7	-38.7	-5.8	-50.5
Change in inventories		43.3	110.7	91.5	-31.8
Change in net working capital		112.9	174.9	202.1	-46.5
Other adjustments		-2.8	-0.4	-13.6	-8.0
Cash flow from operations before finance items and taxes		**171.7**	**292.2**	**582.3**	**544.2**
Interest received		3.3	4.4	19.4	11.9
Interest paid		-2.5	-7.4	-26.6	-25.3
Dividends received		—	—	1.8	—
Other finance items		-18.6	-29.4	-3.5	-10.1
Income taxes paid		0.4	-11.6	-97.3	-84.7
Net cash flow from operating activities		**154.3**	**248.2**	**476.1**	**435.9**
Net cash flow from investing activities					
Acquisitions of businesses, net of cash acquired	15	—	-0.5	-17.9	-25.7
Disposals of businesses, net of cash sold	15	—	4.0	2.5	11.1
Investments in intangible assets and property, plant and equipment		-8.4	-21.9	-44.2	-81.1
Disposals of intangible assets and property, plant and equipment		4.3	9.7	21.6	31.6
Cash flow from investing activities, other items		-0.9	-1.2	21.5	2.4
Net cash flow from investing activities		**-4.9**	**-10.0**	**-16.5**	**-61.8**

MEUR	Note	Q4/24	Q4/23	2024	2023
Net cash flow from financing activities					
Treasury shares acquired		-0.4	—	-28.0	-17.5
Repayments of lease liabilities		-8.0	-12.7	-40.9	-46.9
Proceeds from long-term borrowings		—	50.9	—	50.9
Repayments of long-term borrowings		—	-38.2	-100.0	-38.2
Proceeds from short-term borrowings		—	-2.3	0.0	10.6
Repayments of short-term borrowings		-1.0	-3.9	-4.0	-3.9
Dividends paid		—	—	-138.6	-87.3
Net cash flow from financing activities		**-9.3**	**-6.2**	**-311.5**	**-132.1**
Change in cash and cash equivalents		**140.1**	**232.0**	**148.1**	**242.0**
Cash and cash equivalents, and bank overdrafts at the beginning of period		436.9	447.5	680.8	445.4
Effect of exchange rate changes		2.2	1.4	-2.1	-6.6
Cash and cash equivalents, and bank overdrafts included in the net assets held for sale at 31 Dec 2024		-140.1	—	-140.1	—
Cash and cash equivalents, and bank overdrafts distributed to the owners	18	—	—	-247.7	—
Cash and cash equivalents, and bank overdrafts at the end of period		**439.1**	**680.8**	**439.1**	**680.8**
Bank overdrafts at the end of period		0.0	3.8	0.0	3.8
Cash and cash equivalents at the end of period		**439.1**	**684.7**	**439.1**	**684.7**

The notes are an integral part of the financial statements review.

Notes to the financial statements review

1. General information

Cargotec Corporation (1927402-8) is a limited liability company domiciled in Helsinki, Finland. The registered address is Itämerenkatu 25, 00180 Helsinki, Finland. Cargotec Corporation and its subsidiaries form the Cargotec Group (later referred to as Cargotec or company). Cargotec Corporation's class B shares are quoted on Nasdaq Helsinki since 1 June 2005.

2. Accounting principles

The financial statements review has been prepared according to IAS 34 Interim Financial Reporting. The accounting policies adopted are consistent with those of the annual financial statements for 2023 and comply with changes in IAS/IFRS accounting standards effective from 1 January 2024 that had no material impact on the financial statements review.

All figures presented have been rounded, which may cause, for example, the sum of individual figures to deviate from the presented sum total.

The financial information presented in this release refers to Cargotec's continuing operations (Hiab) unless otherwise stated.

Changes in the group structure and reporting

Cargotec had three business areas at the beginning of the year. Kalmar business area was demerged from Cargotec in June, and MacGregor was classified as discontinued operations in the fourth quarter. Due to the group restructuring, Cargotec's continuing operations consist of Hiab segment.

Separation and listing of Kalmar

Cargotec's annual general meeting approved in May 2024 the separation of the Kalmar business area into its own listed company (Demerger). The implementation date of the Demerger was 30 June 2024, after which Kalmar has operated as an independent listed company. Cargotec presented the Kalmar business area as discontinued operations in accordance with IFRS 5 Non-current assets held for sale and discontinued operations starting from the first quarter of 2024. In accordance with the IFRS 5 standard, the net result of discontinued operations is presented in the consolidated statement of income separately from the income and expenses of continuing operations. In addition, the statement of income includes profit from the Demerger. The cash flow statement and statement of changes in equity include the effects of Kalmar's business and the Demerger. Additional information about the Demerger is presented in note 18. Demerger.

Sale of MacGregor

Cargotec announced in November 2024 that it had signed an agreement to sell MacGregor business area to funds managed by Triton at a debt-free price of EUR 480 million. The sale of the business followed Cargotec's Board of Directors decision in November 2022 to divest MacGregor in the future, and the announcement in May 2024 about the decision to start the MacGregor sale process.

As a result of the signed sale agreement, MacGregor is presented as discontinued operations in accordance with IFRS 5 starting from the fourth quarter reporting.

Cargotec expects to record a tax-exempt loss of approximately EUR 200 million on the Transaction. The expected loss was recognised in the fourth quarter 2024 results as a EUR 200 million goodwill impairment in items affecting comparability as a part of discontinued operations. In addition to the goodwill impairment, the total costs to separate MacGregor are estimated to be approximately EUR 25 million and recorded in items affecting comparability as part of discontinued operations.

The Transaction is subject to regulatory approvals and works council consultation in relevant jurisdictions. Closing of the Transaction is expected to occur by 1 July 2025 at the latest.

Presentation of discontinued operations

Under IFRS 5, the result from discontinued operations is reported separately from continuing operations' income and expenses in the consolidated statement of income. Comparative periods are restated accordingly. On the consolidated balance sheet, assets and liabilities related to discontinued operations are presented separately as assets available for sale and liabilities directly associated with them. The comparative period of the consolidated balance sheet is not restated. The presented discontinued operations include sales and operating expenses directly related to Kalmar and MacGregor and other income and costs related to continuing operations that are not expected to continue after the Demerger and closing of the Transaction or would have been avoided without the Demerger or the Transaction. As a result, the financial information presented for Cargotec as continuing operations does not fully reflect the past or future profitability of Hiab's business on a stand-alone basis.

Unless stated otherwise, all income statement notes exclude discontinued operations whereas the balance sheet notes include also discontinued operations.

Additional information about the restated comparative information has been published in a stock exchange release on January 7, 2025.

New IFRS accounting standards and standard amendments published in 2024

Amendments to IFRS 9 and IFRS 7, amendments to the classification and measurement of financial instruments

The amendments include guidance for determining whether cash flows of financial instruments tied to environmental, social, and governance (ESG) objectives are considered to be ordinary payments of principal and interest. The amendments also include certain additional disclosure requirements. The changes become effective on 1 January 2026 and are not expected to impact Cargotec's reporting.

Amendments to IFRS 9 and IFRS 7, Contracts referencing Nature-dependent Electricity

Electricity production is nature-dependent when its generation depends on uncontrollable natural conditions such as weather. Contracts referencing nature-dependent electricity are contracts to buy or sell electricity produced for example from wind or solar energy, and financial instruments that reference such electricity. The amendment clarifies how hedge accounting can be applied to such contracts and sets certain disclosure requirements. Amendments become effective 1 January 2026, and are not expected to impact Cargotec's reporting.

IFRS 18 Presentation and disclosure in financial statements

The standard introduces a standardized structure for the statement of profit and loss, and certain improvements to the statement of cash flows. The standard also provides additional guidance on aggregation and disaggregation of data in financial statements and introduces disclosure requirements related to management-defined performance measures. The standard is becoming effective on 1 January 2027 and will change the presentation of Cargotec's financial statements.

IFRS 19 Subsidiaries without public accountability: disclosures

The standard defines limited reporting requirements that a subsidiary can apply in its own IFRS reporting, if certain conditions are met, instead of the presentation requirements of the normal IFRS accounting standards. The standard is becoming effective on 1 January 2027 and has no impact on Cargotec's reporting.

3. Prevailing economic uncertainty

The global economy and cargo flow dynamics directly influence Cargotec's operating environment and customers' investment decisions. Changes in economic conditions, shifts in supply chains, geopolitical tensions, conflicts, energy availability, sanctions, and trade disputes can all affect the global movement of goods, thereby impacting both the prices and availability of components and the demand for Cargotec solutions.

In the prevailing market situation, the demand for Cargotec's solutions has varied regionally. Customers may seek to postpone or cancel orders or request lower prices. Despite planned cost-saving measures, reduced production volumes could negatively impact Cargotec's profitability margins. A weakening global economic outlook, along with limited access to financing and rising financing costs, may create economic and financial challenges for Cargotec's customers. In some cases their financial situation could deteriorate rapidly, potentially leading to insolvency. A decline in the financial health of Cargotec's customers may result in reduced sales and profitability, as well as increased inventory obsolescence and higher credit losses related to customer receivables.

MacGregor goodwill impairment testing

MacGregor's goodwill impairment testing was renewed on 30 Sep 2024 due to the low level of MacGregor's recoverable amount in relation to the assets being tested. Due to the ongoing process to sell MacGregor, the recoverable amount of the MacGregor segment was determined in the goodwill impairment testing based on the fair value less costs to sell. As purchase offers had not been received by the end of the third quarter, the fair value was derived from forecasted cash flows. The performed goodwill impairment test indicated no impairment. However, it was stressed that MacGregor's recoverable amount was low relative to testable assets and sensitive to changes in WACC and forecasts. It was also pointed out that, in the sale alternative, the refinement of MacGregor's fair value might lead to a further impairment of goodwill.

Cargotec announced in November that by signing a sales agreement, MacGregor is classified as discontinued operations and that the sale of MacGregor is expected to result in a loss of EUR 200 million, recognised as a goodwill impairment in items affecting comparability as a part of discontinued operations. Information about the presentation of MacGregor as a discontinued operation and goodwill impairment is presented in note 17. Discontinued operations

Hiab goodwill impairment testing

As part of the annual goodwill impairment testing, the recoverable amount of the Hiab segment was determined based on the value in use method. The pre-tax WACC used in the testing was 10.5 (2023: 11.6) percent. Based on the testing, no impairment was recorded in the goodwill, nor did any of the sensitivity analyses indicate an impairment.

Financial risks related to climate change

Cargotec is exposed to climate-related risks due to environmental, regulatory and technological changes, as well as the emission reduction commitments it has made. Assessing the financial impact of climate change on Cargotec is challenging, as the timing and occurrence of related effects are difficult to predict and quantify. However, the impacts of climate-related regulations, technological shifts, and Cargotec's commitments are already visible, making them easier to analyse. Cargotec is committed to reducing carbon dioxide emissions across its value chain by 50% by 2030, compared to 2019 levels. Achieving this goal will require reducing emissions not only from its operations but also from its supply chain and the use of sold equipment. In 2024, Cargotec's total emissions were below the baseline year's levels, primarily due to an increased share of low-emission products sold and a reduction in the volume of purchases and sales.

Regarding the emissions generated in its supply chain, Cargotec must address emissions across the entire chain, from raw materials to components and manufacturing. This may lead to changes in the suppliers selected, a reduction in the number of potential suppliers, and an increase in costs. The most significant source of emissions in the supply chain is the steel used in the equipment. The adoption of low-emission steel solutions has already begun, and other methods to reduce supply chain emissions are actively being explored. However, the widespread use of low-emission steel is constrained by its cost and limited availability.

Cargotec has made notable progress in reducing emissions within its operations, primarily through improvements in energy efficiency, a greater use of renewable electricity, and the transition to low- or zero-emission vehicles. These improvements are also expected to yield cost savings. However, reducing emissions associated with the use of Cargotec's products can only be achieved if there is sufficient demand for low-emission alternatives. To meet this demand, Cargotec must successfully develop and market low-emission products. Product development plays a critical role in this process. Cargotec has made substantial investments in electrifying its product range, and customers are increasingly opting for low-emission products, although the majority of products sold still rely on combustion engine technology. In the future, Cargotec's product range may incorporate various low-emission technologies, which could increase both complexity and costs.

Reaching the emission targets requires effort across all areas of Cargotec's business. In addition to facing climate-related risks, the transition process introduces new risks that, if realised, could have significant financial impacts. These impacts might include asset impairments due to shorter product life cycles and additional costs linked to new technologies. Such costs may arise from product development, higher inventory levels, and new types of warranty issues. Additionally, stricter regulations can increase costs, and even directly limit Cargotec's product range.

4. Segment information

The completion of the partial demerger of Cargotec Corporation ("Cargotec") (the "Demerger") and the incorporation of a new Kalmar Corporation was registered in the Finnish Trade Register on 30 June 2024. As a result of the Demerger, Cargotec updated its segment reporting, which resulted in Hiab and MacGregor being presented as Cargotec's reporting segments for the reporting of the second and third quarters of 2024. In the fourth quarter, Cargotec announced that it had signed an agreement for the sale of MacGregor, due to which the segment reporting was updated again. With the change, Cargotec discloses segment information for its continuing operation Hiab in the fourth quarter of 2024.

To provide a basis for comparison, Cargotec published on 7 January 2025 its reclassified financial information of Hiab reporting segment and Corporate administration and support functions for all quarters of 2023 and the first three quarters of 2024 separately, as well as for the full year 2023. Corporate administration and support functions now reflect continuing operations while Hiab's financial information remained unchanged. The reclassified financial information is unaudited.

Sales, MEUR	Q4/24	Q4/23	2024	2023
Hiab	412	450	1,647	1,787

Sales by geographical area, MEUR	Q4/24	Q4/23	2024	2023
EMEA	205	241	804	945
Americas	179	176	735	702
Asia-Pacific	28	33	108	140
Total	**412**	**450**	**1,647**	**1,787**

Sales by geographical area, %	Q4/24	Q4/23	2024	2023
EMEA	50%	53%	49%	53%
Americas	43%	39%	45%	39%
Asia-Pacific	7%	7%	7%	8%
Total	**100%**	**100%**	**100%**	**100%**

Operating profit and EBITDA, total, MEUR	Q4/24	Q4/23	2024	2023
Hiab	48.0	47.8	244.7	252.2
Corporate administration and support functions	-7.0	-9.8	-27.6	-33.0
Operating profit	**41.0**	**38.0**	**217.1**	**219.2**
Depreciation, amortisation and impairment*	12.4	9.9	44.0	40.8
EBITDA	**53.4**	**47.8**	**261.2**	**259.9**

*Includes the effects of allocating the acquisition cost of businesses	Q4/24	Q4/23	2024	2023
Hiab	-0.8	-0.8	-3.1	-3.1
Effects of allocating the acquisitions cost of businesses in total	**-0.8**	**-0.8**	**-3.1**	**-3.1**

Operating profit, %	Q4/24	Q4/23	2024	2023
Hiab	11.6%	10.6%	14.9%	14.1%
Total	**9.9%**	**8.4%**	**13.2%**	**12.3%**

Items affecting comparability, MEUR	Q4/24	Q4/23	2024	2023
Hiab	–	–	–	0.1
Corporate administration and support functions	–	–	–	–
Items affecting comparability, total	**–**	**–**	**–**	**0.1**
Restructuring costs	–	–	–	0.1
Other items affecting comparability	–	–	–	–

Comparable operating profit, MEUR	Q4/24	Q4/23	2024	2023
Hiab	48.0	47.8	244.7	252.1
Corporate administration and support functions	-7.0	-9.8	-27.6	-33.0
Total	**41.0**	**38.0**	**217.1**	**219.1**

Comparable operating profit, %	Q4/24	Q4/23	2024	2023
Hiab	11.6%	10.6%	14.9%	14.1%
Total	**9.9%**	**8.4%**	**13.2%**	**12.3%**

Orders received, MEUR	Q4/24	Q4/23	2024	2023
Hiab	414	401	1,509	1,466

Orders received by geographical area, MEUR	Q4/24	Q4/23	2024	2023
EMEA	218	203	736	728
Americas	164	169	668	630
Asia-Pacific	32	29	104	108
Total	**414**	**401**	**1,508**	**1,466**

Orders received by geographical area, %	Q4/24	Q4/23	2024	2023
EMEA	53%	51%	49%	50%
Americas	40%	42%	44%	43%
Asia-Pacific	8%	7%	7%	7%
Total	**100%**	**100%**	**100%**	**100%**

Order book, MEUR	31 Dec 2024	31 Dec 2023
Hiab	648	799

Number of employees at the end of period*	31 Dec 2024	31 Dec 2023
Hiab	3,809	3,877
Corporate administration and support functions	425	600
Total	**4,234**	**4,477**

Average number of employees*	2024	2023
Hiab	3,809	3,932
Corporate administration and support functions	443	603
Total	**4,252**	**4,535**

*Comparative numbers of employees have been adjusted to reflect estimated continuing operations. Corporate administration and support functions numbers in 2024 include employees who have moved to discontinued operations in January 2025 and in 2023 include employees who have moved to discontinued operations during 2024

5. Revenue from contracts with customers

Hiab, MEUR	Q4/24	Q4/23	2024	2023
Equipment sales	294	337	1,185	1,334
Service sales	118	114	462	452
Total sales	**412**	**450**	**1,647**	**1,787**
Recognised at a point in time	407	446	1,630	1,772
Recognised over time	5	4	17	15

6. Share-based payments

During the fourth quarter of the financial year 2024, Cargotec had several share-based incentive programmes in place for the group's key employees. During the fourth quarter, the Board of Directors established the following share-based incentive programmes:

In December, the Board of Directors resolved to establish a new performance share programme for the Company’s management and selected key employees. The programme includes calendar. years 2025–2027 as a performance period. The performance criterion based on which the potential reward will be paid is the Company’s earnings per share (EPS). The rewards from the programme will be paid partly in Company's class B shares and partly in cash in 2028. The rewards to be paid on the basis of the programme will amount up to an approximate maximum total of 90,000 Cargotec's class B shares. The programme is directed to approximately 70 key employees, including the members of the Company's Leadership Team.

Also in December, the Board of Directors resolved to establish a new restricted shares programme for calendar years 2025–2027. The purpose of the programme is to serve as a complementary long-term retention tool for individually selected employees of the Company in specific situations. The rewards to be paid on the basis of the programme will amount up to an approximate maximum total of 10,000 Company’s class B shares.

The completion of the partial demerger of Cargotec Corporation and the incorporation of a new Kalmar Corporation was registered in the Finnish Trade Register on 30 June 2024. On 7 August 2024, Cargotec's Board of Director's resolved on the adjustments of the ongoing share-based incentive programmes due to the demerger. The adjustments aimed at retaining the reward values for the programme participants unaffected by compensating for the decrease in the share's value following the demerger. As a result, the rewards denominated as number of Cargotec class B shares were revised using a multiplier resolved by the Board of Directors. The adjustment was applied to share allocations of active programme participants instead of the original maximum share allocations per programme. Adjustments were not made to the terms and conditions of the programmes.

The following share-based incentive programmes established by the Board of Directors of Cargotec during the past financial years were in operation during 2024:

Performance share programme 2020–2024, performance period 2022–2024. The performance period includes three measuring periods of one calendar year. For its third measuring period of the financial year 2024, the potential reward will be based on the eco portfolio share in orders received for the key employees of the Hiab business area. For Cargotec Corporate key employees, the performance criterion is Cargotec’s eco portfolio share in orders received. The programme is directed to approximately 70 key employees, including the members of Cargotec Leadership Team. The rewards to be paid on the basis of the performance period to active programme members amount up to an approximate maximum total of 220,000 Cargotec's class B shares.

Performance share programme 2023–2025, performance period 2023–2025. The performance period includes three measuring periods of one calendar year. For its second measuring period 2024, the potential reward will be based on the service gross profit for the key employees of the Hiab business area. For Cargotec Corporate key employees, the performance criterion is Cargotec's service gross profit. The programme is directed to approximately 70 key employees, including the members of Cargotec Leadership Team. The rewards to be paid on the basis of the performance period to active programme members amount up to an approximate maximum total of 213,000 Cargotec's class B shares.

Performance share programme 2024–2026, performance period 2024–2026. The performance period includes three measuring periods of one calendar year. For the key employees of the Hiab business area, the potential reward of the programme from the first measuring period 2024 will be based on the business areas' earning per share (EPS). For the Cargotec Corporate key employees, the performance criteria is Cargotec's earning per share (EPS). The programme is directed to approximately 70 key employees, including the members of Cargotec Leadership Team. The rewards to be paid on the basis of the performance period to active programme members amount up to an approximate maximum total of 200,000 Cargotec's class B shares.

Restricted share programme 2020–2024, earnings period 2022–2024. The rewards to be paid on the basis of the performance period amount up to an approximate maximum total of 17,000 Cargotec's class B shares.

Restricted share programme 2023–2025. The rewards to be paid on the basis of the programme to active programme members amount up to an approximate maximum total of 16,000 Cargotec's class B shares.

Restricted share programme 2024–2026. The rewards to be paid on the basis of the programme to active programme members amount up to an approximate maximum total of 15,000 Cargotec's class B shares.

Restricted share unit programme 2023–2025. The reward from the programme is conditional on the achievement of strategic goals set by the Board of Directors. The reward is estimated to be paid in 2025. The shares received as a reward from the programme may not be sold, transferred, pledged or otherwise assigned during a lock-up period which ends six months after the reward payment. The programme is intended for approximately 50 Cargotec group's key employees, including selected Leadership Team members. The rewards to be paid on the basis of the programme to active programme members amount up to an approximate maximum total of 419,000 Cargotec's class B shares.

7. Comparable operating profit

MEUR	Q4/24	Q4/23	2024	2023
Operating profit	**41.0**	**38.0**	**217.1**	**219.2**
Restructuring costs				
Restructuring-related disposals of businesses	–	–	–	0.6
Other restructuring costs	–	–	–	-0.7
Restructuring costs, total	**–**	**–**	**–**	**-0.1**
Other items affecting comparability	**–**	**–**	**–**	**–**
Comparable operating profit	**41.0**	**38.0**	**217.1**	**219.1**

8. Capital expenditure, depreciation, amortisation and impairment

Capital expenditure, MEUR	Q4/24	Q4/23	2024	2023
Owned assets				
Intangible assets	0.3	0.0	0.3	0.1
Land and buildings	0.7	0.9	1.7	1.6
Machinery and equipment	19.8	5.3	30.0	18.7
Right-of-use assets				
Land and buildings	10.8	4.8	24.6	11.0
Machinery and equipment	0.6	3.7	9.1	13.7
Total	**32.2**	**14.6**	**65.6**	**45.1**

Depreciation, amortisation and impairment, MEUR	Q4/24	Q4/23	2024	2023
Owned assets				
Intangible assets	1.4	1.4	5.6	5.8
Land and buildings	0.6	0.5	2.3	2.0
Machinery and equipment	4.8	2.9	12.4	10.1
Right-of-use assets				
Land and buildings	4.0	1.8	13.4	11.7
Machinery and equipment	1.6	3.3	10.2	11.2
Total	**12.4**	**9.9**	**44.0**	**40.8**

9. Taxes in statement of income

MEUR	Q4/24	Q4/23	2024	2023
Current year tax expense	21.2	20.1	93.5	59.6
Change in current year's deferred tax assets and liabilities	-7.7	-4.2	-37.6	-2.8
Tax expense for previous years	-1.3	-3.7	2.5	-4.8
Total	**12.2**	**12.1**	**58.4**	**52.0**

10. Net working capital

MEUR	31 Dec 2024	31 Dec 2023
Inventories	333.8	1,033.8
Operative derivative assets	15.2	35.9
Accounts receivable	240.8	723.8
Contract assets	1.5	47.3
Other operative non-interest-bearing assets	99.4	166.6
Working capital assets	**690.8**	**2,007.5**
Provisions	-38.5	-160.5
Operative derivative liabilities	-21.5	-33.0
Pension obligations	-25.4	-89.0
Accounts payable	-158.9	-511.2
Contract liabilities	-24.3	-374.5
Other operative non-interest-bearing liabilities	-135.0	-510.4
Working capital liabilities	**-403.7**	**-1,678.6**
Net working capital in the balance sheet	**287.1**	**328.9**
Net working capital items included in assets held for sale and associated liabilities*	-233.2	—
Total	**53.9**	**328.9**

*Information about the net assets held for sale is presented in note 17. Discontinued operations. Information about the net assets distributed to the owners in connection with the partial demerger is presented in note 18, Demerger. The comparative data include continuing and discontinued operations.

Assets and liabilities that are not allocated to business operations are not included in net working capital. Unallocated assets comprise loans and other interest-bearing receivables, cash and cash equivalents, income tax receivables, deferred tax assets, deferred interests, deferred considerations on disposals, and derivatives designated as hedges of future treasury transactions. Unallocated liabilities comprise loans and other interest-bearing liabilities, income tax payables, deferred tax liabilities, accrued interests, deferred considerations on acquisitions, dividend liabilities, and derivatives designated as hedges of future treasury transactions.

11. Interest-bearing net debt and liquidity

MEUR	31 Dec 2024	31 Dec 2023
Interest-bearing liabilities	369.4	866.7
Loans receivable and other interest-bearing assets	-0.3	-3.5
Cash and cash equivalents	-439.1	-684.7
Interest-bearing net debt in balance sheet	**-69.9**	**178.6**
Interest-bearing net debt associated with the assets held for sale and related liabilities*	-116.4	—
Interest-bearing net debt	**-186.3**	**178.6**
Equity	1,027.3	1,753.8
Gearing	**-18.1%**	**10.2%**

MEUR	2024	2023
Operating profit, last 12 months	123.3	483.8
Depreciation, amortisation and impairment, last 12 months	270.6	114.9
EBITDA, last 12 months	**393.9**	**598.7**
Interest-bearing net debt / EBITDA, last 12 months	**-0.5**	**0.3**

The fair values of interest-bearing assets and liabilities do not significantly differ from their carrying amounts.

MEUR	31 Dec 2024	31 Dec 2023
Cash and cash equivalents	439.1	684.7
Committed long-term undrawn revolving credit facilities	330.0	430.0
Repayments of interest-bearing liabilities in the following 12 months	-148.6	-158.5
Liquidity position associated with assets held for sale and related liabilities*	132.2	—
Liquidity	**752.8**	**956.2**

*Information about the net assets held for sale is presented in note 17. Discontinued operations. Information about the net assets distributed to the owners in connection with the partial demerger is presented in note 18, Demerger. The comparative data include continuing and discontinued operations.

12. Derivatives

Fair values of derivative financial instruments

	Positive fair value	Negative fair value	Net fair value	Net fair value
MEUR	31 Dec 2024	31 Dec 2024	31 Dec 2024	31 Dec 2023
Current				
Currency forwards, cash flow hedge accounting	0.4	1.3	-0.9	11.4
Currency forwards, other	5.6	4.8	0.8	16.6
Total current	**6.0**	**6.1**	**-0.1**	**28.1**
Assets held for sale and related liabilities*	10.8	13.3	-2.4	—
Total derivatives	**16.8**	**19.3**	**-2.5**	**28.1**

Financial assets and liabilities recognised at fair value through profit and loss comprise mainly currency derivatives. The recurring measurement of these instruments at fair value is based on commonly applied valuation methods and uses observable market-based variables. Therefore, these measurements are categorised in the fair value hierarchy as level 2 fair values.

Nominal values of derivative financial instruments

MEUR	31 Dec 2024	31 Dec 2023
Currency forward contracts	1,258.8	4,020.2
Cash flow hedge accounting	607.1	2,313.9
Other	651.7	1,706.3
Assets held for sale and related liabilities*	2,280.0	—
Total	**3,538.9**	**4,020.2**

The derivatives have been recognised at gross fair values on the balance sheet, as the netting agreements related to derivatives allow unconditional netting only in the occurrence of credit events but not in a normal situation. The group has not given or received collateral related to derivatives from the counterparties.

*Information about the net assets held for sale is presented in note 17. Discontinued operations. Information about the net assets distributed to the owners in connection with the partial demerger is presented in note 18, Demerger. The comparative data include continuing and discontinued operations.

13. Commitments

MEUR	31 Dec 2024	31 Dec 2023
Customer financing	–	8.3
Off-balance sheet leases	1.2	8.0
Other contingent liabilities	0.7	1.3
Total	**1.9**	**17.5**

Cargotec Corporation has guaranteed obligations of Cargotec companies arising from ordinary course of business. The total amount of these guarantees on 31 Dec 2024 was EUR 266.6 (31 Dec 2023: 404.3) million.

Contingent liabilities are related to guarantees given by Cargotec in the ordinary course of business for the delivery of products and services. Guarantees are provided in different ways including direct guarantees, bank guarantees, and performance bonds. Various Group entities are parties to legal actions and claims which arise in the ordinary course of business. While the outcome of some of these matters cannot precisely be foreseen, they are not expected to result in a significant loss to the Group.

Commitments related to leases include commitments related to off-balance sheet leases, on-balance sheet leases not yet commenced, and residual value risk related to equipment sold under customer finance arrangements and accounted for as leases.

The comparative data above include both continuing and discontinued operations.

14. Related party transactions

Cargotec's related parties include the parent company Cargotec Corporation and its subsidiaries, associated companies and joint ventures. Related parties include also the members of the Board of Directors, the CEO and other members of the Leadership Team, their close family members and entities controlled directly or indirectly by them. In addition, major shareholders with more than 20 percent ownership of shares or of the total voting rights in the company, are included in related parties.

Cargotec sold in April 2024 a property to its related parties Wipunen varainhallinta oy, Mariatorp Oy, Pivosto Oy who jointly acquired the property on behalf of the established company. The property's sales price was based on estimates given by two independent real estate brokers. The total value of the transaction including movable property was EUR 11.3 million resulting in a sales profit of EUR 7.7 million that was included in the result of the discontinued operation.

Cargotec did not have other material business transactions, or balance sheet items with its related parties than those presented above.

CARGOTEC

15. Acquisitions and disposals

Cargotec has had no business acquisitions in 2024. Information about the partial Demerger and MacGregor sale process is disclosed in notes 17. Discontinued operations, and 18. Demerger.

Acquisitions in 2023

Hiab acquired in January the share capitals of Olsbergs Hydraulics Aktiebolag and Olsbergs Electronics AB at a purchase price of EUR 19.1 million of which the EUR 1.9 million was conditional and paid in 2024. Olsbergs is the technological leader in the design and manufacture of hydraulic valves and remote control systems. Its solutions are used to manoeuvre Hiab's truck mounted loader cranes and forestry cranes. Via acquisition, Hiab is insourcing these components and has better capabilities to further develop them in an integrated manner with other crane components. In determining the fair values, EUR 3.3 million of intangible assets and EUR 4.9 million of goodwill, which is not tax deductible, were identified. As a result of the acquisition, approximately 100 employees transferred to Hiab.

Acquired net assets and goodwill related to Olsbergs acquisition, MEUR
MEUR

Intangible assets	3.3
Property, plant and equipment	13.6
Inventories	4.7
Accounts receivable and other non-interest-bearing receivables	3.3
Cash and cash equivalents	0.9
Accounts payable and other non-interest-bearing liabilities	-1.9
Interest-bearing liabilities	-8.2
Deferred tax liabilities	-1.6
Net assets	**14.1**
Purchase price, payable in cash	17.1
Purchase price, conditional	1.9
Total consideration	**19.1**
Goodwill	**4.9**
Purchase price, paid in cash	17.1
Cash and cash equivalents acquired, including overdrafts	-0.9
Cash flow impact	**16.2**

Disposals in 2023

In December, Hiab sold its Spanish subsidiary Hiab Iberia S.L.U. at a sales price of EUR 6.1 million, of which EUR 2.1 million was paid during the first quarter of 2024. With the transaction, Hiab transferred its spare parts business in Spain to its partner Mulder Maquinaria S.L.U. The transaction had no material effect on the reported figures.

In November, MacGregor sold its 51% ownership in the UK-based Flintstone Technology Limited to Bridon International Ltd. The transaction had no material effect on the reported figures.

In October, MacGregor sold the Voyage Data Recorder and Maritime Data Engine businesses to Danelec Electronics A/S. The transaction had no material effect on the reported figures.

In May, Hiab sold its Russian subsidiary Hiab RUS LLC to the company's executive management. The company has mainly sold Hiab equipment and related services to the Russian market. The transaction had no material effect on the reported figures.

16. Joint ventures and associated companies

In connection with the Demerger, the associated company Bruks Siwertell Group AB belonging to Kalmar was transferred from Cargotec's ownership. There has been no other changes in Cargotec's ownerships in joint ventures and associated companies during 2024.

Changes in joint ventures and associated companies in 2023

In April, Hiab completed the closure of the joint venture Sinotruk Hiab (Shandong) Equipment Co., Ltd. Termination of the company had no material profit impact.

The sale of TTS Hua Hai Ships Equipment (Shanghai) Co., Ltd. (THH) to CSSC was completed in March. The transaction had no material profit impact.

17. Discontinued operations

Classification of Kalmar as a discontinued operation

Cargotec's annual general meeting approved in May 2024 the separation of the Kalmar business area into its own listed company (Demerger). The implementation date of the Demerger was 30 June 2024, after which Kalmar has operated as an independent listed company. As a result of the Demerger, Cargotec presented the Kalmar business area as discontinued operations in accordance with IFRS 5 Non-current assets held for sale and discontinued operations starting from the first quarter of 2024.

Classification of MacGregor as a discontinued operation

Cargotec announced in November 2024 that it had signed an agreement to sell the MacGregor business area to funds managed by Triton at a debt-free price of EUR 480 million. The sale followed Cargotec's Board of Directors decision in November 2022 to divest MacGregor in the future and the announcement in May 2024 to start the MacGregor sale process. As a result of the sale of MacGregor becoming highly probable, it is presented as discontinued operations in accordance with IFRS 5 starting from the fourth quarter of 2024.

Cargotec sells MacGregor at a debt-free price of EUR 480 million and expects to record a loss of approximately EUR 200 million on the transaction that is not deductible in taxation. The expected loss was recognised in the fourth quarter of 2024 as a EUR 200 million goodwill impairment and is presented in items affecting comparability as part of the result of the discontinued operations. Until the deal is closed, any positive changes in the estimated sale result are recognised only at closing of the transaction, and any negative changes in the estimated sale result are recognised immediately as an additional impairment of goodwill. The expected loss differs significantly from the goodwill impairment test results performed by MacGregor over the past quarters. The main reason for the difference is the agreed sales price adjustments related to the definition of net debt and working capital items. Due to the agreed adjustments, the purchase price paid in cash for MacGregor also differs significantly from the debt-free value. The write-down of goodwill is based on an estimated final purchase price of approximately EUR 220 million to be paid in cash at closing and after the earlier made cash repatriation. The final purchase price to be paid in cash and the cash flow impact of the transaction depend on the realisation of the agreed purchase price adjustments and changes in MacGregor's cash and cash equivalents. After the write-down of goodwill, MacGregor's net assets were EUR 190 million including EUR 140 million of cash and cash equivalents. In addition to the goodwill impairment, the total cost to separate MacGregor is estimated to be approximately EUR 25 million that is recorded in items affecting comparability as part of the result of the discontinued operations.

The Transaction is subject to regulatory approvals and works council consultation in relevant jurisdictions. Closing of the Transaction is expected to occur by 1 July 2025 at the latest.

Presentation of Kalmar and MacGregor as discontinued operations

In accordance with the IFRS 5 standard, the net result of discontinued operations (Kalmar and MacGregor) is presented in the consolidated statement of income separately from the income and expenses of continuing operations (Hiab). The consolidated balance sheet presented as of 31 December 2024 does not include balance sheet items related to Kalmar due to the Demerger, and MacGregor’s balance sheet items are presented in the lines of assets held for sale and related liabilities. The comparison period of the balance sheet is not restated. The cash flow statement and statement of changes in equity include the effects of Kalmar's and MacGregor’s businesses and the Demerger.

In the consolidated statement of income, the comparison periods have been adjusted accordingly. The presented discontinued operations include revenue and expenses directly related to the Kalmar and MacGregor business areas, as well as other income and expenses related to continuing operations that are not expected to continue after the Demerger or sale, or that would have been avoided without these transactions. In addition to the balance sheet items of the Kalmar segment, certain items not belonging to the Kalmar segment were removed from Cargotec's balance sheet in the Demerger. These items were not depreciated or amortised in accordance with the presentation method of IFRS 5. Due to the reasons described above, the financial information presented as Cargotec's continuing operations and discontinued operations does not reflect the previous or future profitability of these businesses.

The tables below include additional information about Kalmar's and MacGregor’s financial performance as discontinued operations. Information about balance sheet items transferred to Kalmar in the Demerger is presented in note 18, Demerger.

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Income for the discontinued operations

MEUR	Q4/24	Q4/23	2024	2023
Sales	**198.0**	**743.3**	**1,650.9**	**2,782.3**
Cost of goods sold	-150.2	-575.8	-1,249.4	-2,157.3
Gross profit	**47.8**	**167.5**	**401.4**	**625.1**
Selling and marketing expenses	-7.3	-31.7	-71.4	-115.6
Research and development expenses	-2.5	-19.0	-32.0	-63.6
Administration expenses	-30.2	-53.4	-138.4	-178.2
Restructuring costs	1.9	-6.7	-28.5	-14.8
Other operating income	2.3	8.5	29.3	34.9
Other operating expenses	-209.1	-18.6	-259.0	-34.3
Share of associated companies' and joint ventures' net result	1.5	4.5	4.6	11.1
Operating profit	**-195.6**	**51.1**	**-93.8**	**264.6**
Finance income	1.4	1.8	6.6	6.2
Finance expenses	-0.8	-6.6	-17.5	-23.2
Profit before taxes of the operations transferred to discontinued operations	**-195.0**	**46.3**	**-104.7**	**247.6**
Income taxes	8.7	-8.5	-22.5	-52.4
Profit for the period of the operations transferred to discontinued operations	**-186.3**	**37.8**	**-127.2**	**195.2**
Fair value gain recognised from net assets distributed to the owners	—	—	1,112.7	—
Translation differences	—	—	-73.1	—
Profit for the period, discontinued operations	**-186.3**	**37.8**	**912.5**	**195.2**
Other comprehensive income, discontinued operations	-11.0	6.1	-7.6	-2.2
Comprehensive income for the period, discontinued operations	-197.3	43.9	904.9	193.0
Comprehensive income for the period attributable to:				
Shareholders of the parent company	-197.3	43.9	904.9	193.0
Non-controlling interest	—	—	—	—
Total	**-197.3**	**43.9**	**904.9**	**193.0**

Assets and liabilities held for sale

ASSETS HELD FOR SALE, MEUR	31 Dec 2024
Non-current assets	
Goodwill	172.8
Intangible assets	71.5
Property, plant and equipment	26.1
Investments in associated companies and joint ventures	28.8
Share investments	0.0
Deferred tax assets	25.4
Other non-interest-bearing assets	3.4
Total non-current assets	**328.2**
Current assets	
Inventories	168.0
Loans receivable and other interest-bearing assets*	0.0
Income tax receivables	5.5
Derivative assets	10.8
Accounts receivable	114.8
Contract assets	12.4
Other non-interest-bearing assets	11.8
Cash and cash equivalents*	140.1
Total current assets	**463.5**
Total assets	**791.6**

*Included in interest-bearing net debt.

LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE, MEUR	31 Dec 2024
Non-current liabilities	
Interest-bearing liabilities*	15.9
Deferred tax liabilities	11.0
Pension obligations	28.1
Provisions	0.3
Other non-interest-bearing liabilities	2.5
Total non-current liabilities	**57.7**
Current liabilities	
Current portion of interest-bearing liabilities*	7.8
Provisions	32.4
Income tax payables	12.5
Derivative liabilities	13.3
Accounts Payable	109.3
Contract liabilities	266.2
Other non-interest-bearing liabilities	102.5
Total current liabilities	**543.9**
Total liabilities	**601.7**

*Included in interest-bearing net debt

Cash flows from discontinued operations

MEUR	Q4/24	Q4/23	2024	2023
Net cash flow from operating activities	0.4	149.2	180.5	261.8
Net cash flow from investing activities	-4.2	-4.9	-8.6	-30.4
Net cash flow from financing activities	-1.9	37.5	-18.9	30.5
Net cash flow total	**-5.7**	**181.8**	**153.0**	**261.9**

Comparable operating profit

MEUR	Q4/24	Q4/23	2024	2023
Operating profit	**-195.6**	**51.1**	**-93.8**	**264.6**
Restructuring costs				
Employment termination costs	0.0	3.3	0.5	6.1
Impairments of inventories	-0.1	-0.5	0.2	-1.0
Restructuring-related disposals of businesses	—	1.0	—	1.0
Other restructuring costs*	-1.8	2.9	27.7	8.6
Restructuring costs, total	**-1.9**	**6.7**	**28.5**	**14.8**
Other items affecting comparability				
Sale of MacGregor**	207.4	—	211.0	—
Partial demerger	3.2	15.3	53.4	27.6
Hiab standalone preparations and Cargotec group closing	7.0	—	7.0	—
Other costs***	-0.2	0.1	0.0	-12.7
Other items affecting comparability, total	**217.5**	**15.4**	**271.5**	**14.9**
Comparable operating profit	**20.0**	**73.2**	**206.1**	**294.3**

*Other restructuring costs include contract termination costs (other than employment contracts), costs arising from outsourcing or transferring operations to new locations, maintenance costs of vacant and in the future redundant premises for Cargotec, gains and losses on sale of intangible assets and property, plant and equipment that relate to sold or discontinued operations. During the second quarter of 2024, MacGregor settled a dispute with a customer related to an installation vessel pilot project for offshore wind turbines, as a result of which the negative result impact of approximately EUR 29 million related to settlement of the dispute and termination of the project was recorded to restructuring costs. The product is no longer in MacGregor's sales portfolio.

** Cargotec signed an agreement to sell MacGregor on 14 November 2024 to funds managed by Triton. The expected loss was recognised in the fourth quarter of 2024 as a EUR 200 million goodwill impairment. The final amount of the loss will be determined at the time of closing the transaction and it depends on MacGregor's business performance until that point of time.

*** In 2022 Cargotec and its subsidiary MacGregor USA, Inc. made a voluntary self-disclosure to US authorities regarding compliance with certain export regulations related to information management in the context of MacGregor's US Government business in 2022. MacGregor then booked an approximately EUR 18 million provision to cover possible consequences. During the third quarter of 2023, relevant US authorities resolved the matter without monetary penalty, and Cargotec thereby released the provision as an item affecting comparability.

Capital expenditure, depreciation, amortisation and impairment

Capital expenditure, MEUR	Q4/24	Q4/23	2024	2023
Owned assets	3.4	15.8	28.0	60.7
Right-of-use assets	2.6	5.6	18.8	31.3
Total	**5.9**	**21.4**	**46.8**	**92.0**

Depreciation, amortisation and impairment, MEUR	Q4/24	Q4/23	2024	2023
Owned assets	202.0	12.9	210.9	50.8
Right-of-use assets	1.8	6.0	15.7	23.4
Total	**203.9**	**18.8**	**226.6**	**74.2**

18. Demerger

On 30 May 2024, Cargotec's annual general meeting approved the separation of the Kalmar business area into its own listed company (Demerger). The implementation date of the Demerger was 30 June 2024, after which Kalmar has operated as an independent listed company. The trading in the class B shares of Kalmar on Nasdaq Helsinki commenced on 1 July 2024.

In the Demerger, all assets, debts, and liabilities of Cargotec that belonged to the Kalmar business area or otherwise mainly served the Kalmar business area were transferred to a new company named Kalmar Corporation that was incorporated in the Demerger.

The Demerger was executed as a partial demerger, as set out in the Finnish Companies Act (624/2006, as amended). The shareholders of Cargotec received as demerger consideration one new share of the corresponding share class (i.e., class A or class B) of Kalmar for each class A and class B share owned in Cargotec. There are corresponding two share classes in Kalmar as in Cargotec, i.e., class A and class B, which will carry the same voting and dividend rights as class A and class B shares in Cargotec, respectively. No action was required from the shareholders to receive the demerger consideration.

Fair value of the Demerger was determined based on the closing price of 26.40 euros on the first trading day of the Kalmar Corporation class B share on July 1, 2024. Based on the stock of Kalmar's 64,324,118 shares (9,526,089 class A shares and 54,798,029 class B shares), the fair value of the Demerger was EUR 1,698.2 million and the fair value gain from the Demerger was EUR 1,039.7 million. The gain from the Demerger was included in the discontinued operation's result. The demerger gain had no tax effect on the consolidated statement of income.

Fair value gain from the Demerger

MEUR	
Fair value of the Demerger	1,698.2
Net assets distributed to the owners	-585.7
Cash flow hedges transferred to the statement of income, net of tax	0.2
Fair value gain recognised from the net assets distributed to the owners	**1,112.7**
Translation differences	-73.1
Fair value gain from the Demerger	**1,039.7**

Distributed net assets

MEUR	
Assets	
Goodwill	261.0
Intangible assets	17.6
Property, plant and equipment	287.7
Investments in associated companies and joint ventures	47.3
Inventory	455.6
Accounts receivable and other non-interest-bearing receivables	374.0
Loans receivable and other interest-bearing assets	4.1
Cash and cash equivalents	248.6
Deferred tax assets	51.1
Liabilities	
Accounts payable and other non-interest-bearing liabilities	-741.0
Interest-bearing liabilities	-409.6
Deferred tax liabilities	-11.0
Net assets	**585.7**

Additional information about the Demerger can be found in the press release published by Cargotec on 1 February 2024. Additionally, The Demerger and listing prospectus,contains more detailed information about the Demerger and Kalmar.

19. Events after the reporting period

There were no material events after the reporting date.

CARGOTEC

Key exchange rates for euro

Closing rates	31 Dec 2024	31 Dec 2023
SEK	11.459	11.096
USD	1.039	1.105

Average rates	2024	2023
SEK	11.423	11.456
USD	1.083	1.082

Cargotec's key figures

The key figures include both continuing and discontinued operations.

		2024	2023
Equity / share	EUR	16.04	27.25
Equity to asset ratio	%	47.6%	43.8%
Interest-bearing net debt	MEUR	-186.3	178.6
Interest-bearing net debt / EBITDA, last 12 months		-0.5	0.3
Gearing	%	-18.1%	10.2%
Return on equity (ROE), last 12 months	%	2.0%	21.2%
Return on capital employed (ROCE), last 12 months	%	7.1%	19.9%

Additional information regarding interest-bearing net debt and gearing is disclosed in note 11, Interest-bearing net debt and liquidity.

Calculation of key figures

IFRS key figures

$$\text{Basic earnings per share (EUR)} = \frac{\text{Profit attributable to the shareholders of the parent company}}{\text{Average number of outstanding shares during the period}}$$

$$\text{Diluted earnings per share (EUR)} = \frac{\text{Profit attributable to the shareholders of the parent company}}{\text{Average number of diluted outstanding shares during the period}}$$

Alternative performance measures

According to the ESMA Guidelines on Alternative Performance Measures, an Alternative Performance Measure (APM) is understood as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. In addition to IFRS key figures, Cargotec uses the following alternative performance measures:

Key figure		Definition	Reason for use	Reconciliation
Operating profit (MEUR and % of sales)	=	Sales - cost of goods sold - selling and marketing expenses - research and development expenses - administration expenses - restructuring costs + other operating income - other operating expenses + share of associated companies' and joint ventures' result	Operating profit is used to measure business profitability. It describes the profitability of the business before taking into account financial items and taxes.	Statement of income
Comparable operating profit (MEUR and % of sales)	=	Operating profit excluding items significantly affecting comparability	Comparable operating profit is used to monitor and forecast profit development and set related targets. It is calculated by excluding items significantly affecting comparability from operating profit, which makes it easier to compare the profitability of the business at different time periods.	Note 7, Comparable operating profit

Items significantly affecting comparability (MEUR)	=	Items significantly affecting comparability include, in addition to restructuring costs, mainly capital gains and losses, gains and losses related to acquisitions and disposals, acquisition and integration costs including during years 2020-2022 costs related to the merger plan with Konecranes Plc, impairments and reversals of impairments of assets, insurance benefits, and expenses related to legal proceedings.	Factor used to calculate Comparable operating profit.	Note 7, Comparable operating profit
Cash flow from operations before financing items and taxes	=	Profit for the period + depreciation, amortisation and impairment + finance income and expenses + taxes + other adjustments + changes in net working capital	Represents cash flow from operations after income from sales less operating expenses. Measures the company's ability to meet its financial commitments, including interest payments, taxes, investments, and equity and debt payments. Used to monitor and forecast business performance.	Statement of cash flows
Interest- bearing net debt/EBITDA, last 12 months	=	Interest-bearing net debt / EBITDA, last 12 months	Used to measure corporate capital structure and financial capacity.	Note 11, Interest-bearing net debt and liquidity
Interest- bearing net debt (MEUR)	=	Interest-bearing liabilities (non-current interest-bearing liabilities + current portion of interest-bearing liabilities + current other interest-bearing liabilities) - interest-bearing receivables (non-current and current loans receivable and other interest-bearing assets) - cash and cash equivalents +/- foreign currency hedge of corporate bonds	Interest-bearing net debt represents Cargotec's indebtedness. Used to monitor capital structure and as a factor to calculate Interest-bearing net debt / EBITDA and Gearing.	Note 11, Interest-bearing net debt and liquidity
EBITDA (MEUR), last 12 months	=	Operating profit + depreciation, amortisation and impairment, last 12 months	Factor used to calculate Interest-bearing net debt / EBITDA.	Note 11, Interest-bearing net debt and liquidity
Net working capital (MEUR)	=	Inventories + operative derivative assets + accounts receivable + contract assets + other operative non-interest-bearing assets - provisions - operative derivative liabilities - pension obligations - accounts payable - contract liabilities - other operative non-interest-bearing liabilities	Net working capital is used to follow the amount of capital needed for the business to operate. It does not include financing items, taxes nor non-current assets. Used also as a factor to calculate Operative capital employed.	Note 10, Net working capital
Operative capital employed (MEUR)	=	Goodwill + intangible assets + property, plant and equipment + investments in associated companies and joint ventures + share investments + net working capital	Operative capital employed refers to the amount of capital needed for the business to operate and generate profits. It does not include taxes or finance income and expenses. Used to measure the efficiency with which the capital is used.	Note 10, Net working capital

Investments	=	Additions to intangible assets and property, plant and equipment including owned assets and right- of-use assets, excluding assets acquired through business combinations	Investments refer to money used to acquire long-term assets. Used as a factor in cash flow calculation.	Note 8, Capital expenditure, depreciation and amortisation
Return on equity (ROE) (%), last 12 months	= 100 x	Profit for the period, last 12 months, excluding Fair value gain from the Demerger ——— Total equity (average for the last 12 months)	Represents the rate of return that shareholders receive on their investments.	Profit for the period: Statement of income; Total equity: Balance sheet Fair value gain from the Demerger: note 18, Demerger
Return on capital employed (ROCE) (%), last 12 months	= 100 x	Profit before taxes + finance expenses, last 12 months ——— Total assets - non-interest-bearing debt (average for the last 12 months)	Represents relative profitability or the rate of return that has been received on capital employed requiring interest or other return.	Profit before taxes and finance expenses: Statement of income; Total assets and non-interest-bearing debt: Balance sheet
Operative return on capital employed (operative ROCE) (%), last 12 months	= 100 x	Operating profit, last 12 months ——— Operative capital employed (average for the last 12 months)	Represents relative business profitability that has been received on operative capital employed requiring interest or other return.	Operating profit: note 4, Segment information; Operative capital employed: note 10, Net working capital
Non-interest-bearing debt	=	Total assets - total equity - non-current interest-bearing liabilities - current portion of interest-bearing liabilities - current other interest-bearing liabilities	Used as a factor to calculate Return on capital employed (ROCE).	Balance sheet
Equity to asset ratio	= 100 x	Total equity ——— Total assets - contract liabilities	Used to measure solvency and describe the share of the company's assets financed by equity.	Balance sheet
Gearing (%)	= 100 x	Interest-bearing net debt ——— Total equity	Represents the company's indebtedness by measuring the amount of interest-bearing debt in proportion to equity capital. Some of Cargotec's loan agreements include a covenant restricting the corporate capital structure, measured by gearing.	Note 11, Interest-bearing net debt and liquidity

In the calculation of the balance sheet related key figures the assets held for sale and liabilities related to assets held for sale are included in the applicable account groups, even though in the balance sheet they are presented on one row.

Quarterly key figures

Cargotec		Q4/24	Q3/24	Q2/24	Q1/24	Q4/23
Orders received	MEUR	414	361	348	386	401
Service orders received	MEUR	118	109	111	111	112
Order book	MEUR	648	636	676	770	799
Sales	MEUR	412	388	433	415	450
Service sales	MEUR	118	112	115	117	114
Service sales, % of sales	%	29%	29%	27%	28%	25%
Eco portfolio sales	MEUR	122	114	126	115	127
Eco portfolio sales, % of sales	%	30%	29%	29%	28%	28%
Operating profit	MEUR	41.0	52.0	62.8	61.3	38.0
Operating profit	%	9.9%	13.4%	14.5%	14.8%	8.4%
Comparable operating profit	MEUR	41.0	52.0	62.8	61.3	38.0
Comparable operating profit	%	9.9%	13.4%	14.5%	14.8%	8.4%
Basic earnings per share	EUR	0.42	0.62	0.72	0.65	0.33

Hiab		Q4/24	Q3/24	Q2/24	Q1/24	Q4/23
Orders received	MEUR	414	361	348	386	401
Order book	MEUR	648	636	676	770	799
Sales	MEUR	412	388	433	415	450
Service sales	MEUR	118	112	115	117	114
Comparable operating profit	MEUR	48.0	59.3	68.7	68.7	47.8
Comparable operating profit	%	11.6%	15.3%	15.9%	16.6%	10.6%